DOCUMENT RESUME

ED 362 689 CE 064 692

AUTHOR	Lurie, Irene; Hagen, Jan L.
TITLE	Implementing JOBS: The Initial Design and Structure of Local Programs. JOBS Implementation Study.
INSTITUTION	State Univ. of New York, Albany. Nelson A. Rockefeller Inst. of Government.
SPONS AGENCY	Department of Health and Human Services, Washington, D.C.; Department of Labor, Washington, D.C.; Foundation for Child Development, New York, N.Y.; New York State Dept. of Social Services, Albany.; Pew Charitable Trusts, Philadelphia, PA.
REPORT NO	ISBN-0-914341-32-4
PUB DATE	Jul 93
NOTE	173p.; For related documents, see CE 064 691-693.
PUB TYPE	Reports - Research/Technical (143)
EDRS PRICE	MF01/PC07 Plus Postage.
DESCRIPTORS	Adult Education; Agency Cooperation; *Basic Skills; Coordination; Economically Disadvantaged; Employment Potential; *Employment Programs; *Employment Services; Federal Aid; Federal Legislation; Job Skills; *Job Training; Program Design; Program Development; *Program Implementation; Welfare Agencies; *Welfare Recipients; Work Experience
IDENTIFIERS	Aid to Families with Dependent Children; *Job Opportunities and Basic Skills Program

ABSTRACT

During summer 1991, a study reviewed efforts of local agencies to implement the Job Opportunities and Basic Skills (JOBS) Program. Three local sites in each of 10 states were examined. The field research showed that formal client flowcharts designed by the states and local sites were not yet fully operational and often did not describe actual practice. All state welfare agencies established some linkages between JOBS and other education, training, and employment programs to build program capacity to provide JOBS services, although the degree of interagency coordination and program integration varied considerably by state. States made widely varying efforts to fund JOBS. States' choices regarding the mix of services financed with JOBS funds varied considerably. Most states used JOBS funds to finance job readiness activities and adult education. Many states also financed job search; a smaller number used JOBS funds to support job skills training and work experience; and still fewer supported on-the-job training and work supplementation. Local sites generally designed their new JOBS components to meet the 20-hour rule. The Job Training Partnership Act played a major role, serving as the lead JOBS agency in half of the local sites. The majority of the sites were not making strong efforts to enforce the federal mandate that Aid for Families with Dependent Children recipients participate in JOBS. Twelve tables and four figures are included and state profiles are appended. (Contains 26 references.) (YLB)

ED 362 689

IMPLEMENTING JOBS:

THE INITIAL DESIGN AND STRUCTURE OF LOCAL PROGRAMS

U.S. DEPARTMENT OF EDUCATION
Office of Educational Research and Improvement
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

✓ This document has been reproduced as received from the person or organization originating it.

☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

PERMISSION TO REPRODUCE THIS MATERIAL HAS BEEN GRANTED BY

J Hagen

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

Irene Lurie
and
Jan L. Hagen

The Nelson A. Rockefeller Institute of Government

State University of New York

CE 064 692

BEST COPY AVAILABLE

IMPLEMENTING JOBS: THE INITIAL DESIGN AND STRUCTURE OF LOCAL PROGRAMS

Irene Lurie and Jan L. Hagen

JOBS Implementation Study

The Nelson A. Rockefeller Institute of Government
State University of New York
Albany, New York

July 1993

Acknowledgements

We wish to thank Richard P. Nathan for his support, encouragement, and advice during all phases of this study. We also express our appreciation to the state and local administrators who generously gave of their time and effort to this research project. Finally, we thank the members of our Advisory Board who provided guidance during several phases of the research.

In completing this report, we have been ably supported by the project's research associate, Ling Wang, and by the project's secretary, Julianne Gordon.

Funding for this project was provided by The Pew Charitable Trusts, the U. S. Departments of Labor and Health and Human Services, the New York State Department of Social Services, and the Foundation for Child Development. The opinions and conclusions in this report reflect those of the authors and should not be construed as representing those of the funders.

© 1993
Nelson A. Rockefeller Institute of Government
411 State Street, Albany, NY 12203

ISBN 0-914341-32-4

Field Associates

Maryland
Jeffrey J. Koshel, Planning and Evaluation Consultant
Washington, D.C.

Michigan
Colletta H. Moser, Professor
Department of Agricultural Economics
Michigan State University

Mississippi
Lewis H. Smith, Professor
Department of Economics, University of Mississippi

New York
Jan L. Hagen, Associate Professor
School of Social Welfare
Rockefeller College of Public Affairs and Policy
University at Albany, State University of New York

Irene Lurie, Associate Professor
Rockefeller College of Public Affairs and Policy
University at Albany, State University of New York

Oklahoma
Kenneth R. Wedel, Professor
School of Social Work, University of Oklahoma

Oregon
Norman L. Wyers, Professor
Graduate School of Social Work
Portland State University

Pennsylvania
Thomas F. Luce, Jr., Assistant Professor
The Hubert H. Humphrey Institute of Public Affairs
University of Minnesota, Minneapolis
(Formerly at Pennsylvania State University)

Tennessee
Robert E. Fulton, Public Policy Analyst
Patton, Missouri

Texas
Christopher T. King, Associate Director
Center for the Study of Human Resources
Lyndon B. Johnson School of Public Affairs
The University of Texas at Austin

TABLE OF CONTENTS

List of Tables and Figures iv

List of Abbreviations v

Executive Summary vii

1. Introduction 1

2. JOBS Program Designs 6

3. Building Program Capacity: Interagency Linkages, Funding, and Arrangements for Service Delivery 18

Linkages between Welfare Agencies and Other Organizations 19

Financial and Other Mechanisms for Accessing Services 28

Arrangements for Service Delivery 33

Overview of State Practices in Accessing Services 35

4. Mandated and Optional JOBS Services 42

Participation of Families in JOBS Components and Overview of Funding Choices 43

Job Readiness Activities 50

Education 55

Job Skills Training 67

Job Development and Job Placement 76

Individual and Group Job Search 80

Work Programs and On-the-Job Training 84

Self-Initiated Education and Training 91

Discussion: Influences on the Mix of JOBS Services 91

5. Programmatic Responses to the 20-Hour Rule 96

6. The Role of the Job Training Partnership Act 102

7. Participation in JOBS: Mandatory versus Voluntary 112

8. Conclusions 127

References 135

Appendices

A. Field Associates 137

B. State Profiles 139

LIST OF TABLES AND FIGURES

Table 1: Local Sites and Locations of Welfare Offices 3

Table 2: JOBS Services Selected by States 8

Table 3: Organizations with Primary Responsibility for Arranging JOBS Services at the Local Level 23

Table 4: AFDC Cases and JOBS Expenditures Other Than Child Care, Fiscal Year 1991 29

Table 5: Tailoring Services for JOBS Participants and Mainstreaming Participants into Other Programs 36

Table 6: AFDC Cases and Participation of Families in the JOBS Program 44

Table 7: Participation of Families in JOBS Components 46

Table 8: Percentage Distribution of Participant Families by JOBS Component 48

Table 9: Content of Job Readiness Activities 52

Table 10: Expenditures and Enrollments under the Adult Education Act, Fiscal Year 1989 63

Table 11: Content of Job Skills Training Programs 69

Table 12: Participation in JTPA Title II-A Programs by Adults on Welfare 108

Figure 1: Client Flow Chart: Choice Model 10

Figure 2: Client Flow Chart: Job Readiness Screening Model .. 12

Figure 3: Client Flow Chart: Educational Screening Model 14

Figure 4: Structural Features of the JOBS Program 20

LIST OF ABBREVIATIONS

AFDC	Aid to Families with Dependent Children
AFDC-UP	Aid to Families with Dependent Children–Unemployed Parent
CAA	Community Action Agency
CETA	Comprehensive Employment and Training Act (1973)
CWEP	Community Work Experience Program
DHS	Department of Human Services
DSS	Department of Social Services
ESL	English as a Second Language
ET & E	Education, Training, and Employment Program (Oklahoma)
FSA	Family Support Act of 1988
GED	General Educational Development Certificate
HHS	U.S. Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills Training Program
JTPA	Job Training Partnership Act (1982)
MDRC	Manpower Demonstration Research Corporation
MOST	Michigan Opportunity and Skills Training Program
OJT	On-the-Job Training
PIC	Private Industry Council
PI	Project Independence (Maryland)
SDA	Service Delivery Area
SIET	Self-Initiated Education and Training
SPOC	Single Point of Contact (Pennsylvania)
WIN	Work Incentive Program

EXECUTIVE SUMMARY

The Job Opportunities and Basic Skills Training Program (JOBS) enacted by the Family Support Act of 1988 placed a new set of demands on state and local governments responsible for administering Aid to Families with Dependent Children (AFDC). They must operate a welfare employment program that offers an array of education, training, and employment services, and they must engage a minimum percentage of their AFDC caseload in these activities while targeting expenditures on individuals most likely to become long-term welfare recipients. The Act also gave state and local governments new opportunities by increasing federal funding for welfare employment programs and for the child care and other supportive services that individuals need in order to participate in these programs. But in implementing JOBS, governments have considerable discretion to tailor services to the particular needs of welfare families, to local labor market conditions, and to the values held by their citizens. How state and local governments respond to these new demands and opportunities in developing their JOBS programs will be a critical factor in determining whether the federal legislation can fulfill its promise to reduce welfare dependency.

The Rockefeller Institute of Government is conducting a three-year study of the implementation of the JOBS program by ten states, examining their progress as they move through successive stages of program development. The ten states, selected to be broadly representative of the nation and illustrative of a range of state experiences in implementing JOBS, include Maryland, Michigan, Minnesota, Mississippi, New York, Oklahoma, Oregon, Pennsylvania, Tennessee, and Texas. The primary methodology for the study is field network research, an approach that creates a network of policy analysts who use a common instrument to collect and analyze information about each state's response and then report their jurisdictions' responses in a common format. These reports from the field are the primary basis for this assessment of the states' efforts to implement the JOBS program.

The first round of field research, conducted soon after the mandatory JOBS implementation date of October 1990, examined the states' choices in designing, managing, and funding the JOBS program. The second round of field research was conducted during the summer of 1991 to examine the efforts of local agencies and front-line workers to implement the program. Three local sites were selected for study in each of the ten states: a metropolitan area, a mid-sized city, and a small or rural community. This paper reports some of the findings from this second round

of research, focusing on the education, training, and employment services provided to JOBS participants in the local sites; child care services and case management are discussed in other papers in this series. The second round of research was not completed in Minnesota.

JOBS Program Designs

The Family Support Act broadened the range of services that states must offer in their welfare employment programs beyond those authorized by the predecessor to the JOBS program, the Work Incentive (WIN) program. In the expectation that acquiring additional skills will increase the earning capacity of welfare recipients, states must provide education and job skills training. Because some recipients already possess marketable skills, states must also offer employment services and work opportunities that move recipients directly into the labor force. But the Act gave states and localities some discretion in the emphasis placed on each type of service and presented them with several critical choices in designing their program.

In developing a client flow chart, an agency begins to resolve some of these choices: the types of services to be offered by JOBS, the sequences of these services, and the option to create alternative tracks for recipients with different characteristics and needs. Examination of the flow charts of the local agencies in the study indicates that they planned to offer a wide variety of services, both education and training programs with the potential to increase earning capacity and programs like job search that are designed to encourage more immediate employment. Comparing their flow charts, we can identify three prototypes for the client flow charts developed for JOBS: a choice model, a job-readiness screening model, and an educational screening model. All three prototypes include an assessment of the client's needs and abilities, but they differ in the degree of choice given to the recipient in selecting a service and in the relative emphasis on education and training versus employment services.

One prototype does not encourage front-line workers to emphasize one service over another or to serve individuals with particular demographic, educational, or labor market characteristics. The choice of services for an individual depends solely on the assessment performed when she enters the JOBS program, with considerable weight given to the judgments of the front-line worker and the preferences of the client. This approach, a "choice" model, allows an individual to choose to attend school or a training program in an effort to increase her earning capacity even if she possesses sufficient skills to enter the labor market. A second approach, a "job-readiness screening" model, uses an initial assessment or screening to separate individuals into two tracks. Caseworkers refer

individuals judged to be job-ready to a set of services designed to move them directly into the labor force, such as job search and work experience programs. Only individuals with more barriers to immediate employment are referred to education and training services. A third approach, an "educational screening" model, encourages individuals to improve their reading and math skills or complete their high school education before entering the labor market. The initial assessment or screening first determines whether an individual lacks minimum educational competencies and should have the opportunity to attend school or an adult education program. Only individuals who reject this opportunity or who have achieved the minimum competency level are screened for job-readiness and referred to either more advanced education or training or to job search and other employment services.

Because the flow charts developed by some sites were very complex while some others were not well articulated, we present our conclusions about which of the three prototypes most closely describes the programs designed by the individual sites with some caution. At least two of the local sites in New York appear to have designed a choice model. Tennessee's program can also be placed in this category: all participants in JOBS were volunteers and an assessment was used to refer most of them to education or training activities. Sites in Mississippi, Oregon, and Texas made efforts to track job ready individuals into job search and work activities, reserving education and training for more disadvantaged individuals. Maryland, Michigan, Oklahoma, and Pennsylvania appear to have screened individuals first on their level of education and encouraged participants to improve their educational competency before engaging in another JOBS activity.

Although the formal flow charts reflected some of the sites' programmatic choices, the field research indicates that the flow charts were not yet fully operationalized in many sites and, for this reason, often did not describe actual practice. In performing the assessment, workers and clients in many local sites were unable choose among all the services listed in the flow chart because these services were not available in sufficient quantity or not available at all. Thus the supply of services constrained the assessments performed at many sites. Moreover, in some sites many individuals became JOBS participants because they were already engaged in an education or training program operated by another agency and needed the child care and other supportive services that were offered by JOBS. In some other sites, individuals who were ready to enter another program were referred to JOBS for supportive services before beginning the activity, a practice termed a "reverse referral" by one of the field associates. Where individuals were already engaged in an

activity of another agency or were ready to enter such an activity, the assessment was a process for approving the service provided by another organization rather than a process for choosing the most appropriate service from among a wider range of options. The constrained availability of services offered through JOBS and the dependency on the services of other programs left many JOBS agencies with incomplete control over the services that participants received and limited their ability to implement the program as designed.

Building Program Capacity: Interagency Linkages, Funding, and Service Delivery

The Family Support Act gave the responsibility for administering JOBS to the states' welfare agencies, organizations that have traditionally focused their primary attention on determining eligibility and benefits for income maintenance programs. How did the welfare agencies build the capacity to provide JOBS services? Building the capacity to deliver a service requires the welfare agency either to hire and train staff who can deliver the service in-house or to establish linkages to other organizations with the capacity to deliver the service. To access the capacity of other organizations, the welfare agency can either purchase the service with JOBS funds or enter into a formal or informal agreement to obtain the service from other organizations without payment. Organizations providing such services can either arrange them exclusively for JOBS participants or can mainstream JOBS participants into programs designed for a broader population. To understand how welfare agencies were building the capacity to deliver JOBS services, we focused on these three features of the structure of the JOBS programs: interagency linkages, funding, and the arrangements for service delivery.

Interagency Linkages. All state welfare agencies established some linkages between JOBS and other education, training, and employment programs in the state, although the degree of interagency coordination and program integration varied considerably from state to state. At one extreme are Maryland and Tennessee, where the state welfare agency forged strong linkages with the state Job Training Partnership Act (JTPA) agency that moved toward integrating JOBS into a broader state employment and training system. A similar approach was taken by the Single Point of Contact (SPOC) program in Pennsylvania, a joint effort of not only the welfare agency and the JTPA, but of the state education agency and employment service as well. In these three states, the state welfare agency contracted with the state-level JTPA agency, which in turn had primary responsibility for accessing services through its local Service Delivery Areas (SDAs). At the other end of the spectrum are Michigan,

New York, and Oklahoma, where the state- or local-level welfare agency maintained full responsibility for operating the program, taking the lead in serving recipients in-house or in contracting with other agencies for selected services. We refer to these two types of interagency linkages as an "integrated" system and a "welfare agency" approach. Between these extremes are Mississippi, Oregon, and Texas, where the state welfare agency contracted with a single organization in each locality to perform or subcontract for the primary JOBS functions for all or some JOBS participants. We refer to this as a "contracting" approach.

As a result of these arrangements, one agency in each of the local sites had primary responsibility for accessing a supply of services for JOBS participants. In the majority of sites, primary responsibility for operating JOBS was transferred from the welfare agency to another local organization. In states with an integrated system—Maryland, Pennsylvania, and Tennessee—the local JTPA Service Delivery Areas (SDAs) had primary responsibility for arranging services, although the JTPA in Pennsylvania's Single Point of Contact (SPOC) program shared some of this task with the welfare agency, the education agency, and the employment service. The state welfare agency in Mississippi contracted with local community action agencies for case management, the major service financed by JOBS in that state. In the three Oregon sites, the state welfare agency selected the local SDAs as prime contractors with lead responsibility for accessing services. Texas contracted with several types of local agencies, including a for-profit firm and a local SDA, to operate JOBS for recipients who are screened into the program track for job-ready individuals.

In only a minority of states—Michigan, New York, and Oklahoma—did the welfare agency have primary responsibility for performing the major JOBS functions for the entire JOBS caseload, including assessment, referral to services, providing services in-house, and arranging for services to be provided by other agencies. In two additional states—Pennsylvania and Texas—the welfare agency had this responsibility for a segment of the JOBS caseload. The Pennsylvania welfare agency was responsible for serving recipients who did not volunteer for SPOC, although funding for this group was quite limited. The Texas welfare agency provided case management for individuals who were not job-ready, but little funding was available to purchase JOBS services for this group.

Most local welfare offices made few changes in staffing in implementing JOBS, and the limited changes that were made generally involved reassigning existing staff, or increasing their responsibilities, rather than hiring additional staff. The majority of welfare offices were able to

implement JOBS without hiring large numbers of staff because they already had staff in place to operate their WIN Demonstration programs or because they contracted with other organizations to perform the major JOBS functions for all or some of their caseload.

All welfare agencies were responsible for the JOBS orientation that informed recipients about the program and, at the other end of the process, for sanctioning recipients who failed to participate without good cause. The role of welfare agencies in arranging child care for JOBS participants varied considerably among the states: the welfare agency staffs had sole responsibility for helping recipients to arrange child care only in Michigan, Oklahoma, and Pennsylvania. Case management tasks other than arranging for child care were generally performed by the agencies with primary responsibility for arranging JOBS services.

Although the Family Support Act granted state welfare agencies responsibility for administering JOBS, the majority of states gave other organizations a major role in operating the program. Their decisions to transfer operational responsibility can be explained by the expected efficiencies of integrating JOBS with states' other employment and training activities and by the interagency linkages that had already been forged in operating the WIN Demonstration program. We also observed that some state and local governments were reluctant to increase the staffs of their welfare agencies. Although the experience of certain states indicates that welfare agencies can develop the capacity to operate a welfare employment program as an integral part of their AFDC program, many welfare agencies recognized that there are also advantages to integrating JOBS into their states' education, training and employment system.

Funding. States made widely varying efforts to fund the JOBS program, a result both of severe fiscal pressures and other pressing priorities for governors and state legislatures, particularly education. Four states funded JOBS at a relatively high level: Oregon, which devoted enough of its own funds to the JOBS program to draw down virtually all of its federal allocation in fiscal year 1991, and Maryland, Oklahoma, and Pennsylvania, which spent enough to draw down more than 60 percent of their federal allocation. Michigan, New York, and Texas drew down between 34 and 58 percent of their federal allocation. Two states funded the program at a very low level: Mississippi and Tennessee drew down 15 percent or less of their state's allocation for 1991. The small appropriation for JOBS made by the Tennessee legislature helps explain why the state's welfare agency forged strong linkages to integrate JOBS with the JTPA: a large share of the resources for JOBS were donated by the JTPA.

Resources from other programs supplemented JOBS funds to a greater or lesser degree in all of the states. Even in some of the states that made relatively generous appropriations for JOBS, the program drew heavily upon the services of other agencies, particularly education agencies and the JTPA. Because the JOBS program was subsidized by other agencies, the total cost of serving participants was greater than the reported amounts of expenditures on the program, so that the relationship between funding levels and the extent of services for JOBS participants was not direct. Nonetheless, the states that appropriated small amounts of funds for JOBS, particularly Mississippi, Tennessee, and Texas, had considerably more difficulty than the other states in providing a supply of JOBS services. The field research identifies funding levels as not only a major factor, but one of the most important factors, influencing the course of JOBS implementation.

Arrangements for Service Delivery. Local welfare agencies can obtain a supply of JOBS services through two types of arrangements. They can create programs exclusively for JOBS participants, tailoring the content of programs to the needs of welfare clients and generally scheduling activities for 20 hours per week to meet the federally mandated participation rate. Alternatively, they can mainstream JOBS participants into other programs available in the community, such as the programs of the JTPA or educational agencies. One or both of these arrangements can be used by an individual site: for example, a site may tailor-make programs that meet the needs of a large share of the individuals in its caseload, such as job readiness activities, remedial education, and job search, while mainstreaming other individuals into the more specialized skills training programs offered by the JTPA or vocational-technical schools.

In general, the local sites created a limited array of services exclusively for JOBS participants. Many mid-sized cities and rural areas arranged only a few programs for JOBS participants, for example a job readiness program and a remedial education program. Most large cities made a greater variety of arrangements, but the number and variety of programs were still quite small. Sites that operated well-developed welfare employment programs prior to JOBS generally offered a greater variety of programs tailored exclusively for JOBS participants than sites with newer programs. The sites with integrated service delivery systems—Maryland, Pennsylvania, Tennessee—mainstreamed a larger share of participants into the programs of the JTPA than other states. A large share of the JOBS caseload in Texas also participated in the programs of the JTPA, but not through a formal interagency agreement; rather, individuals became JOBS participants when they volunteered for JTPA programs and were

referred to the welfare agency for child care and other supportive services.

Mandated and Optional JOBS Services

The pictures of JOBS drawn by the field associates at the time of this study reveal programs in flux, with sites still in the process of building the capacity needed to implement their program designs. Sites that had operated well-developed welfare employment programs prior to JOBS were managing the transition to a new set of federal mandates, while the others were taking their first steps toward creating programs that would meet these mandates. With differences in their initial starting positions, formal program designs, interagency linkages, and funding levels, we could expect sharp differences in the types of JOBS services available to participants. But the federal mandates to offer education to individuals who have not completed high school, as well as the selection of young parents without a high school education as one of the target groups, encouraged states to move in the same general direction toward education in building capacity to serve JOBS participants. The similarity in the needs of many JOBS participants, particularly their need for job readiness activities and education, also encouraged states to follow the same path in accessing services.

The states' choices regarding the mix of services financed with JOBS funds vary considerably, a result in part of differences in their overall levels of funding for the program. Most states used JOBS funds to finance job readiness activities and adult education, either adult basic education, GED preparation, or both. Many states also financed job search, generally provided in a group setting, but sometimes offered on an individual basis. A smaller number of states used JOBS funds to support job skills training and work experience, and still fewer supported on-the-job training and work supplementation.

The major differences in the mix of services financed with JOBS funds are between states where JOBS was integrated into the state's employment and training system and states where the welfare agency took the lead in operating the program. Differences between states with high and low funding levels for the program are also significant. States with integrated systems funded at high levels—Maryland and Pennsylvania—used JOBS funds to support job skills training, generally mainstreaming participants into their regular JTPA programs. In Tennessee, where JOBS was integrated into the JTPA, but funded at a low level, JOBS funds were not used to support job skills training, although the urban site provided skills training to welfare recipients using the resources of the JTPA. These

states devoted few or no resources to group job search or to work experience, which is a service not traditionally offered by the JTPA.

In states where the welfare agency took the lead—New York, Michigan, and Oklahoma— most of the local welfare agencies continued to fund the services they offered under the prior WIN Demonstration program: the majority of sites in these states supported job search and work experience. Some of the sites in New York and Michigan also used JOBS funds to support job skills training, while Oklahoma relied on the resources of other programs for this service. Two of the contracting states—Oregon and Texas—devoted a considerable share of their JOBS funds to job readiness activities and job search, while Mississippi, where spending was very low, financed only limited GED training through JOBS.

Because resources from other programs supplemented the services purchased with JOBS funds to a greater or lesser degree in all of the states, the mix of services actually received by participants differed from those that were purchased with JOBS funds. JOBS participants attended public high schools, vocational schools, and both two- and four-year colleges, drawing upon the resources of local school districts, state college systems, and federally supported Pell grants and student loans. JOBS participants also participated in the regular skills training programs of the JTPA, which must serve welfare recipients at least in proportion to their representation in the disadvantaged population. In addition, some JOBS participants received assistance from the state employment security agencies, although it is difficult to assess these agencies' role in JOBS. Because of these subsidies from other programs, a wider range of services was available to welfare recipients than those financed by JOBS, and the mix of services received by participants was more uniform among the states than the mix of services purchased with JOBS funds.

Job Readiness Activities. Most states used JOBS funds to support job readiness activities, a service mandated by the Family Support Act; local sites in over half of the states identified the development of new or expanded job readiness activities as one of the major accomplishments of their efforts to implement the JOBS program. Of all the JOBS services, job readiness training was the service most likely to be provided in-house by the lead agency responsible for operating JOBS. While there was considerable variation among the sites in the content of job readiness training, almost all states offered training in basic life skills such as stress management, goal setting, problem solving, and self-esteem. Many states also provided training in areas more directly related to employment, such as motivation, career planning, and personal appearance, while a smaller

number of states used job readiness programs as an opportunity to engage recipients in an extended assessment of their interests and needs.

Adult Education. JOBS implementation has encouraged states to increase the supply of adult education services, defined to include remedial and basic education, GED preparation, and English-as-a-second-language instruction. In implementing JOBS at the state level, three states—Mississippi, Oklahoma, and Texas—allocated funds directly to educational agencies to provide adult education for JOBS participants. In the other seven states, adult education is a common service purchased for JOBS participants by the local sites, second only to job readiness activities. In addition to the programs supported by JOBS funds, adult education programs designed for the general population—a very important resource in some states—provided services for JOBS participants.

Education for Teenage Custodial Parents. Two states— Oregon and Pennsylvania—established a separate track of their JOBS program for teenage custodial parents. Maryland required localities to give first priority for service to teenage parents and children 16 to 18 years of age who have not completed high school, and it used JOBS funds to increase access to the programs of the high schools. Other states made few or no distinctions between teenage parents and other JOBS participants in designing and funding their programs. However, while most of these states made no special arrangements for teenage parents through JOBS, some of them provided services to young parents through other programs. In Michigan and New York, for example, the school districts operated alternative education programs or gave other special attention to young people at risk in regular high schools.

Job Skills Training. In arranging services for JOBS participants, most sites gave less emphasis to job skills training than to job readiness activities and education. Moreover, there are sharp differences in the extent to which the sites made skills training programs available to JOBS participants and in administrators' views of skills training as a central component of their JOBS program. In four states—Maryland, Michigan, New York, and Pennsylvania—most sites used JOBS funds to finance skills training. Another four states—Mississippi, Oklahoma, Tennessee, and Texas—devoted virtually no JOBS funds to skills training, while Oregon used only a small share of its JOBS funds for this purpose.

Skills training programs to prepare people for employment in the service sector predominated: the most common skills training was clerical, while the second most common skills training was in health care, including training to become nurses' aides, home health aides, and

licensed practical nurses. In some sites, training for other service sector skills such as food preparation, child care, custodial building maintenance, and beautician skills was also common. Skills needed for jobs outside the service sector were commonly taught to JOBS participants in only a few sites.

State-to-state differences in AFDC benefits and wage levels make us uncertain about which of these skills command wages that are high enough to lift families out of welfare. On the one hand, JOBS is generally not training individuals for the types of high-performance, high-wage jobs that virtually guarantee an end to welfare dependency. On the other hand, some of the occupations do offer the promise of wages, especially beyond the entry level, that can enable participants to earn enough to become independent of welfare.

Job Development and Job Placement. With the exception of Oklahoma, where the welfare agency had built a staff of job developers prior to JOBS, job development and job placement did not appear to be high priorities of the lead JOBS agencies. In Michigan and New York, the other states where the welfare agency took the lead, the employment security agencies appeared to be the primary providers of job development and placement services, as they were under WIN. In sites with an integrated system, job development and placement were performed by the education and training contractors of the JTPA as necessary tasks for meeting their performance goals, although the employment security agency in Pennsylvania also performed this service. In two of the contracting states, Oregon and Texas, job development and placement appeared to be integrated with job search or provided by the employment security agency, but we are unable to assess the extent of these services.

Job Search. In the states taking a welfare agency approach, some or all sites devoted a share of their resources to group job search programs, as they did under the WIN Demonstration. But in two of these states, Michigan and New York, the additional funds from JOBS were allocated to education and training rather than job search. Oregon and Texas devoted a considerable share of their JOBS funds to a combined package of job readiness, job search, and job development/placement services. States with an integrated system devoted few or no JOBS funds to group job search activities.

Work Experience. Work experience was a noteworthy component of JOBS only in the states where the welfare agency took the lead—Michigan, New York, and Oklahoma—although sites in these states generally did not increase their emphasis on this service. Prior experience in operating work experience programs under the WIN Demonstration

gave these sites the capacity to operate work experience programs, a task that requires staff trained to develop and monitor work experience placements. Sites in Michigan and New York operated a Community Work Experience Program (CWEP), in which the hours of work is limited to the amount of the welfare benefit divided by the minimum wage. Oklahoma, with lower benefit levels, operated an alternative work experience program that avoided this restriction and enabled the sites to schedule individuals for more hours of work, up to 40 hours per week in some cases, than would be permitted under CWEP. The potential displacement of regular public employees was cited as an impediment to the use of work experience in some sites.

Other Work Programs. The local sites referred very few participants to on-the-job training, including sites where JOBS was operated by JTPA Service Delivery Areas with experience in developing on-the-job training placements. Even fewer individuals participated in a work supplementation program, also known as grant diversion, which pays all or part of an individual's welfare grant to an employer as a subsidy to hire the recipient. The field associates gave several reasons for the infrequent use of work supplementation: the restriction of the subsidy to newly created positions, a reluctance of employers to hire welfare recipients, and the complexity of the federal laws and regulations governing work supplementation.

Looking across the sites, we see clearly that they did not expand their use of the three JOBS components designed to create opportunities for work. No site made significant efforts to expand its work experience program, while some cut back their efforts, and very few individuals participated in on-the-job training. Despite the potential for reducing welfare costs over the long run, welfare agencies did not generally view work supplementation as worth the time and trouble it appeared to entail. Compared to the development of job readiness and education services and, in selected states, job skills training programs, sites focused little attention on the direct creation of job opportunities in implementing JOBS.

Self-initiated Education and Training. In Michigan, New York City, and several rural areas, large percentages of participants enrolled in programs on their own initiative, rather than through a referral from the JOBS agency. Self-initiated activities served several functions in JOBS. In Michigan, which did not formally offer post-secondary education as a JOBS component, post-secondary education was permitted as a self-initiated activity, and many JOBS participants took advantage of this opportunity. Prior to JOBS, New York City had paid the training-related expenses of individuals who enrolled themselves in school or training

programs, and the welfare agency continued this policy, classifying them as self-initiated JOBS participants. The city was developing new JOBS components, but the time needed to build these components and a lack of funds forced the city to rely on individuals in self-initiated activities to meet the federally mandated participation rate. Self-initiated activities were also important in the rural areas of Oregon and Tennessee, where few services were arranged for JOBS participants.

Human Capital Investment versus Labor Force Attachment. In expanding their welfare employment programs, states gave more attention to accessing services designed to increase earning capacity than to moving people into immediate employment. Of the human capital services, education is most important: states devoted additional resources to basic education, and many drew upon public schools and post-secondary schools for educational services. Maryland, Michigan, and Pennsylvania appear to have made greater efforts than the other states to provide job skills training.

Of the JOBS components designed to move people into the labor force, job search was clearly the most common activity of participants, followed by work experience. However, it is less clear that JOBS implementation has resulted in an overall increase in the capacity of welfare agencies to provide job search and work experience programs. Although Oregon and Texas expanded job search services, other states appear to have made few efforts to increase their capacity to deliver these types of services. In Michigan and Tennessee, field associates reported a slight retrenchment in the use of job search, a response to the states' decision to no longer require job search as a condition of eligibility for welfare. Participation in on-the-job training and work supplementation programs was extremely low in almost all the sites.

The Importance of Subsidies. Subsidies from other programs have been critical in implementing JOBS because they have enabled state governments under fiscal stress to limit the budgetary cost of the program. But while the resources of other programs were vital to the states' implementation efforts, their use raises a managerial issue that has not, to our knowledge, been addressed by the states. When a JOBS service is provided by another program, the cost of this service to the JOBS program is less than its total cost. Moreover, the amount of the subsidy varies according to the type of service, so that the relative cost of services to the JOBS program is different from the relative cost to society as a whole. For example, job search is typically financed with JOBS funds, while higher education is financed through other programs, so that job search appears more costly to the JOBS program than does higher education. Several field associates referred to higher education as a "low-cost

service to JOBS," an inexpensive way for the agency to access a supply of services to meet its participation goals. To the extent that JOBS administrators choose among services based on their cost to the JOBS program, rather than their actual cost, these subsidies may discourage them from using the most cost-effective mix of services. In other words, subsidies may lead to more participation in the subsidized services than is warranted to achieve the goals of the program at the lowest cost to society as a whole.

Federal coordination requirements encouraged welfare agencies to draw upon the resources of other programs to limit the cost of operating JOBS, while low funding levels made coordination particularly important for some states in order to achieve the federally mandated participation rate. However, the subsidies from other programs have prevented policy makers and administrators at all levels of government from being conscious of the cost of JOBS services. The Family Support Act requires the development of performance standards in 1993, with performance to be measured in terms of outcomes rather than levels of activity or participation, as at present. If the cost of services is an element in the measurement of performance, the subsidies from other programs should be acknowledged in establishing these standards.

Programmatic Responses to the 20-Hour Rule

In an effort to encourage states to develop more intensive welfare employment programs, federal regulations define participation in JOBS in terms of a 20-hour-per-week standard. The 20-hour rule is achieving its purpose: the local sites generally designed their new JOBS components to meet for at least 20 hours per week and extended the hours of some existing programs. Most sites did not attempt to provide a total of 20 hours of activity per week by assigning individuals to multiple programs, an arrangement that is cumbersome for both staff and participants. Harshest criticism of the 20-hour rule came from administrators in rural areas and in sites with integrated systems, where many participants were mainstreamed into the activities of other programs, particularly the JTPA. Administrators in these sites argued that mainstreaming broadens the range of services available, while designing separate programs increases costs and runs the risk of stigmatizing recipients. The field research indicates that the federal intention of making JOBS more intensive and meaningful than WIN is being realized, although the effects of the rule should be monitored as the mandated participation rate increases.

The Role of the Job Training Partnership Act

The JTPA was playing a major role in JOBS, serving as the lead JOBS agency in half of the local sites. In states with integrated systems—Maryland, Pennsylvania, and Tennessee—JOBS implementation demanded major adjustments by the JTPA's Service Delivery Areas, probably more than anticipated by state planners when they assumed responsibility for operating the program. JOBS clients were typically more disadvantaged than other JTPA participants, and some lacked the education to undertake the job skills training offered by the JTPA. Their needs, together with the 20-hour rule, prevented the JTPA from mainstreaming JOBS participants into their regular programs to the extent originally planned and encouraged the SDAs to shift their programming toward remedial education.

As the primary source of federal support for training disadvantaged individuals, the resources of the JTPA supplemented the services funded through JOBS. In almost all sites, SDAs served more AFDC recipients than required by the JTPA legislation's mandate that welfare recipients be served on an equitable basis. Although Tennessee and Maryland devoted more JTPA resources to AFDC recipients than they did prior to JOBS, it is less clear that other states did so.

Participation in JOBS: Mandatory versus Voluntary

At the time of the study, the majority of the sites were not making strong efforts to enforce the federal mandate that AFDC recipients participate in JOBS. Pennsylvania and Tennessee chose to make participation largely or entirely voluntary. Although participation was nominally mandatory in the other seven states, many local agencies did not implement policies and procedures for enrolling recipients into JOBS and for sanctioning those who failed to participate that would signal to recipients that participation is required. For example, few sites focused their enrollment efforts on a selected group of recipients and used strict sanctioning to demonstrate the seriousness of the participation mandate. Instead, many sites were enrolling individuals by casting a wide net and serving individuals who were motivated to participate.

The participation mandate was enforced most strongly by welfare agencies that had a supply of services available to offer recipients. Maryland and Oregon—and New York and Texas in a more limited way—made greater efforts than the other states to sanction individuals who failed to comply with the participation requirement. Relative to the size of their caseloads, Maryland and Oregon devoted more resources to the program than other states, and Texas enforced participation primarily

among the job-ready individuals for whom services were purchased through state-level contracts.

Conclusions

Our review of the local implementation of the JOBS program leads us to conclude that, despite an incremental and generally low-key response by the study sites, the Family Support Act is well-designed. The Act gives states the flexibility to create programs that are appropriate for individuals with diverse needs and abilities and to draw upon the capacities of local institutions, configured into diverse systems, to operate these programs. The Act is having the intended effect of increasing the participation of welfare recipients in meaningful education, training, and employment programs. All states except Mississippi redesigned and expanded their welfare employment programs sufficiently to meet the mandated participation rate for 1991. While the federal regulation defining participation in terms of 20 hours created start-up problems for some states, it encouraged sites to develop substantial programs that required a commitment of effort by recipients. We still believe, as we argued earlier, that JOBS has promise and that the program should be given time to fulfill this promise.

The major impediment to implementing the program further is lack of funding, both at the state and federal levels. Only Oregon drew down its full federal share of JOBS funds in 1991, and preliminary reports indicate that only Oregon, and perhaps Maryland and New York, drew down all of their federal allocation in 1992. The lack of funding has prevented local sites from purchasing all the services listed in their formal flow charts and thus has constrained the assessment and employment plans of individual recipients. But even if the states were to spend enough to receive their full federal allocation, it is not certain that they would be able to achieve the increasing mandated participation rates with reliance on JOBS funds alone. Preparing welfare recipients for financial self-sufficiency is a major task that will require a greater commitment of federal funds than the Family Support Act currently offers.

One of the most optimistic findings from this round of field research is the number and variety of organizations capable of providing education and training services. Public schools, vocational/technical schools, community colleges, the JTPA, and other organizations appear willing to serve JOBS participants, particularly if they are paid in exchange. In the words of one field associate, "It is not the availability of services, *per se*, that constrains these SDAs from offering clients the most suitable services, but the lack of funds to pay for such services in all cases." For this reason, we expect that a greater supply of education and training services

would be forthcoming for JOBS participants if funding levels were increased. In contrast, the infrastructure for operating programs that require good linkages with employers—work experience, on-the-job training, work supplementation, and job development and placement—appears to be less extensive in most states. But the experience of some states indicates that close linkages with employers can be developed if the welfare agencies devote sufficient staff to this task.

1. INTRODUCTION

The Job Opportunities and Basic Skills Training Program (JOBS) enacted by the Family Support Act of 1988 placed a new set of demands on state and local governments responsible for administering Aid to Families with Dependent Children (AFDC). The Act requires them to operate a welfare employment program that offers an array of education, training, and employment services and to engage a minimum percentage of their AFDC caseload in these activities while targeting expenditures on individuals most likely to become long-term welfare recipients. The Act also gave state and local governments new opportunities by increasing federal funding for welfare employment programs and for the child care and other supportive services that individuals need in order to participate in these programs. But in implementing JOBS, governments have considerable discretion to tailor services to the particular needs of welfare families, to local labor market conditions, and to the values held by their citizens. How state and local governments respond to these new demands and opportunities in developing their JOBS programs is a critical factor in determining whether the federal legislation can fulfill its promise to reduce welfare dependency.

The Rockefeller Institute of Government—the public policy research center of the State University of New York—is conducting a three-year study of the implementation of the JOBS program by state and local governments. The study examines the response to the new program by ten states, and three local welfare offices within each of the states, as they moved through successive stages of program development. To assess the state and local responses to the federal JOBS legislation, we undertook three rounds of research. The first round focused on the implementation of JOBS at the state level—states' choices in designing, managing, and funding the program. The second round of research focused on JOBS implementation by local agencies—the organizational arrangements and mechanisms created to deliver services and the resulting opportunities for recipients. The third round assessed the changes made as the states and local agencies gained experience with the JOBS program and came under pressure from the federal mandates to serve an increasing share of their AFDC caseload.

Research Method and Site Selection

The study used field network research as the primary research method, an approach that has been used by Nathan and others to examine the responses of states and localities to other federal initiatives (Nathan,

1982). The essential feature of this approach is a network of policy analysts in each state who collect and analyze information using a common instrument and then report their jurisdictions' responses in a uniform format. The instruments guiding the field research were drafted by the project's directors and revised after discussion with the field associates. These instruments are composed of open-ended questions and requests for narrative statements, quantitative data, and supporting documents. Field associates gathered the required information in a variety of ways, including on-site observations, interviews with administrators and program staff, and reviews of program materials and reports. The quotations in this paper are from the reports of the field associates unless otherwise indicated. Appendix A contains brief biographical sketches of the field associates.

We chose sample states that are broadly representative of the nation and illustrate a range of state experiences in implementing JOBS. Diversity in several characteristics governed the choices: state per capita personal income and poverty rate, the level of fiscal stress expected in 1990, and the structure of public assistance administration (i.e., administration by the state government or by local government under state supervision). The prior experience of states in operating a welfare employment program was another criterion: the sample was selected to include both states that were operating well developed programs that could be transformed into JOBS without major restructuring and states that needed to design and implement a new program to conform to the JOBS legislation. To facilitate comparisons between the research and the JOBS Evaluation Study being conducted by the Manpower Demonstration Research Corporation (MDRC), we also ensured that some of the states in the sample contained sites included in the MDRC evaluation. Finally, we chose states to achieve regional balance. The states in the study are Maryland, Michigan, Minnesota, Mississippi, New York, Oklahoma, Oregon, Pennsylvania, Tennessee, and Texas.

To examine the local implementation of JOBS, we selected three local sites in each of the ten states. Local sites were chosen on the basis of a number of criteria, including population size and composition, AFDC caseload size, and geographic location within the state. In each state, we selected a metropolitan area, a mid-sized city, and a small or rural community. Because our focus is on the typical JOBS program, we specifically excluded from consideration any local site participating in the MDRC JOBS Evaluation Study. Table 1 lists the sites selected in each state, with the metropolitan area listed first, followed by the mid-sized city and the small or rural community. With five exceptions, each site consists of a welfare district, county, or city served by a single welfare

Table 1. Local Sites and Locations of Welfare Offices

State	Site
Maryland	Baltimore City
	Anne Arundel (Annapolis)
	Dorchester County (Cambridge)
Michigan	Wayne County (Detroit)
	Kalamazoo County (Kalamazoo)
	Tuscola County (Caro)
Mississippi	Hinds County (Jackson)
	Harrison County (Gulfport)
	Quitman County (Charleston)
New York	New York City
	Oneida County (Utica)
	Franklin County (Malone)
Oklahoma	Tulsa County (Tulsa)
	Carter County (Ardmore)
	LeFlore County (Poteau)
Oregon	Springfield/Eugene
	Medford
	LaGrande
Pennsylvania	Philadelphia
	Blair County (Altoona)
	Clinton County (Lock Haven)
Tennessee	Davidson County (Nashville)
	Sullivan County (Blountville)
	Gibson County (Trenton)
Texas	Harris County (Houston)
	Nueces County (Corpus Christi)
	Bee County (Beeville)

office. The city or town in which the welfare office is located is also listed in the table. In the five urban sites served by several welfare offices—New York City, Philadelphia, Springfield/Eugene, Tulsa, and Wayne County (Detroit)—the field research focused on one office within the welfare district. In these sites, field associates collected information from administrators of the welfare district, but limited their investigation of front-line agency operations to a single welfare office.

Reports on Findings from the State and Local Level Research

The first round of field network research, conducted soon after the mandatory JOBS implementation date of October 1990, examined the states' policy choices in implementing the program. The findings from this research are presented in *Implementing JOBS: Initial State Choices* (Hagen & Lurie, 1992). The State Profiles from that report, which summarize the major decisions made by each state to come into conformity with the federal JOBS legislation, appear as Appendix B of this paper. The second round of field research examined the status of JOBS at the local level during the summer of 1991, and a third round of research examined the changes made in the program at both the state and local levels by the summer of 1992. The round of research conducted during the summer of 1991 was not completed in Minnesota.

This paper reports on the status of JOBS at the local level based on the research conducted in June through August of 1991. The instrument guiding this round of research was designed to distinguish between the structure of a local site's JOBS program and the process of moving welfare recipients through this structure. In completing their reports, the field associates first described the structure of JOBS in each site, including the client flow model, the services offered, the organizations offering them, the content of the services, and the availability of each service. After describing these structural features, the field associate described the processing of clients through the program, including the process of enrolling recipients into JOBS, the assessment and case management processes, and the efforts of staff to encourage clients' continued participation in the program. The "outputs" of this process are measured by the total number of families participating in JOBS and the number engaged in each service component. The field associates were not asked to collect data regarding the experiences of individual program participants or the outcomes resulting from their participation. For this reason, the study does not measure the effects of the JOBS program in reducing welfare dependency and costs or in increasing participants' earnings.

This paper focuses on the education, training, and employment services provided through JOBS; child care services and case management are discussed in other papers in this series (Hagen & Lurie, 1993; Hagen, Lurie, & Wang, 1993). We begin with a discussion of the formal designs of the JOBS programs planned by the local sites. We then provide an overview of the designs of the organizational system used by welfare agencies to access a supply of JOBS services for their clients. Focusing on the content and providers of the services in the local sites, we then discuss each of the education, training, and employment services offered

through the JOBS program. After analyzing the structure of the JOBS program, we examine approaches to processing individuals through the program in order to determine the degree to which participation in JOBS is mandatory for welfare recipients. Finally, we draw some conclusions about the course of JOBS implementation and its implications for further reform of the welfare system.

In this paper, we use two sets of criteria to assess the efforts made by state and local welfare agencies to implement the JOBS program. One set includes the provisions of the Family Support Act and the regulations of the Department of Health and Human Services. How have welfare agencies responded to the specific provisions of the federal laws and regulations in implementing their JOBS programs, and to what extent have they met the mandates imposed by the federal government? In addressing these questions, we describe and analyze selected features of the JOBS program in terms of these statutory and regulatory provisions.

The second set of criteria is broader in scope and less precise. These criteria are the rationales for the JOBS program and the expectations for the Family Support Act as expressed by its advocates and authors. Advocates argued that government and welfare recipients bear a mutual obligation: government has an obligation to provide welfare recipients with education, training, and employment services, while welfare recipients in turn have an obligation to make efforts to become economically self-sufficient (National Governors' Association, 1987; Novak, 1987). In providing these services, together with child care and other necessary supportive services, JOBS could change the focus of the AFDC program from a cash assistance system to an employment and training system (Rovner, 1988a). Finally, when the Family Support Act was enacted in October 1988, it was hailed as "the most sweeping overhaul of the nation's welfare system in half a century" (Rovner, 1988b). While these rationales and expectations are not stated in the legislation or the federal regulations, we believe that they should be acknowledged in examining the implementation of the program. For this reason, in addition to using the narrower criteria described above, this paper refers to these broader goals in assessing the efforts of state and local welfare agencies to implement the program.

2. JOBS PROGRAM DESIGNS

The Family Support Act requires that states offer a range of education, training, and employment services, but it gives states considerable discretion in designing a program that incorporates these service components. States must offer education and job skills training in the expectation that the acquisition of additional skills will increase the earning capacity or "human capital" of welfare recipients. States must also offer "labor force attachment" services—employment services and work opportunities that move recipients into the labor force. But because the Act permits states to emphasize some services over others, it presents them with critical choices in designing their JOBS programs. Services that increase human capital are thought to generate greater benefits over the long term than services designed to move individuals into immediate employment, but human capital services are generally regarded as more costly to provide. For this reason, welfare agencies face a trade-off between incurring higher costs in the expectation of greater future benefits and incurring lower costs in the expectation of a smaller, but more immediate return.

Welfare agencies must confront these trade-offs when making some initial and fundamental choices about the design of their JOBS program. In designing JOBS, agencies must select the types of services to be offered to participants from among those permitted by federal law. They have the option of offering services in a particular sequence in order to ensure that participants complete one activity before proceeding to another. If services are sequenced, agencies may design several alternative sequences or tracks, assigning participants to different tracks to suit their individual demographic, educational, or labor market characteristics. Alternatively, agencies may decide not to create sequences or tracks, but to design a program for each participant based only on her individual needs and preferences (Gueron & Pauly, 1991; Greenberg & Wiseman, 1992). Finally, except in programs where all individuals are offered the same set of services in the same sequence, agencies must develop a process for assigning individuals to services or service tracks and, if they choose, a set of rules for approving the services that individuals select on their own initiative.

The Family Support Act requires that states offer several types of services: educational activities, including high school or training to obtain a General Educational Development (GED) certificate, basic and remedial education, and English-as-a-second-language instruction; job skills training; job readiness activities; and job development and job

placement services. States must also elect to offer at least two of the following work-oriented activities: group and individual job search; Community Work Experience (CWEP) or an alternative work experience program; on-the-job training (OJT); and work supplementation (grant diversion). In addition, states have the option of offering post-secondary education and any other education, training, and employment activities permitted by the federal JOBS regulations. According to the federal regulations, states may also allow individuals to continue in the education or training programs they were attending at the time they would otherwise have begun participating in JOBS; individuals in this situation are considered to be participating in a self-initiated activity (45 CFR 250.48). Table 2 lists the elective and optional services selected by each of the study states in implementing JOBS. All states have elected to offer job search and on-the-job training, and eight states offer some form of work experience, while half of the states offer work supplementation. However, the actual availability of these services at the local level depends on many implementation decisions, as discussed below.

Client Flow Models

The Act gives states discretion in choosing whether to design standard sequences of services or to individualize a program of services based on each participant's needs and preferences. The provisions that encourage states to offer services in a particular sequence are those mandating education for certain individuals. A teenage custodial parent who has not completed high school must participate in an educational activity, unless exempt according to specific criteria. A parent age 20 or over who has not completed high school must be offered education if she is required to participate in the program, unless she demonstrates basic literacy or her long-term employment goal does not require a high school degree. Although education need not be an initial service for parents age 20 or over, agencies may choose to offer education prior to another activity. The Act also permits states to require a 3-week period of job search prior to the initial assessment, but pre-assessment job search is not mandated.

Recognizing that JOBS implementation would force states to make difficult trade-offs, analysts have identified several approaches or strategies that states might pursue in designing their JOBS programs. One approach is to track a relatively large share of the caseload into low-cost services designed to move them into the labor force, such as group or individual job search, with the goal of achieving high rates of program participation and, ideally, immediate savings in welfare costs. A second approach is to target higher-cost education and training services on a smaller share of the caseload, with the goals of serving a more dis-

Table 2. JOBS Services Selected by States

State	Elective Services	Optional Services
Maryland	Job Search On-the-Job Training	Post-Secondary Education Alternative Work Experience Self-Initiated Education and Training Other Activities
Michigan	Job Search On-the-Job Training Work Supplementation CWEP	Self-Initiated Education and Training Other Activities
Mississippi	Job Search On-the-Job Training	Post-Secondary Education Alternative Work Experience Self-Initiated Education and Training Other Activities
New York	Job Search On-the-Job Training Work Supplementation CWEP	Post-Secondary Education Self-Initiated Education and Training Other Activities
Oklahoma	Job Search On-the-Job Training Work Supplementation	Post-Secondary Education Alternative Work Experience Self-Initiated Education and Training Other Activities
Oregon	Job Search On-the-Job Training Work Supplementation	Alternative Work Experience Self-Initiated Education and Training Other Activities
Pennsylvania	Job Search On-the-Job Training CWEP	Post-Secondary Education Alternative Work Experience Self-Initiated Education and Training
Tennessee	Job Search On-the-Job Training	Post-Secondary Education Self-Initiated Education and Training
Texas	Job Search On-the-Job Training	Post-Secondary Education Self-Initiated Education and Training

Services Mandated for All States by the Family Support Act:

- Job Readiness Activities
- Education
- Job Skills Training
- Job Development and Placement

advantaged group of individuals and achieving savings in welfare expenditures over the longer term. Finally, states might combine these approaches, tracking job-ready participants into lower-cost services while referring individuals with more disadvantages to higher-cost services, aiming to serve a wider range of their caseload (Gueron & Pauly, 1991).

Client flow charts summarize an agency's choices regarding the types of services offered by JOBS, the sequences of these services, and the alternative tracks that may have been created for recipients with different characteristics and needs. Some agencies in the study designed their JOBS program in great detail, with specific rules and procedures to cover a wide variety of contingencies, while others designed flow charts that give more discretion to local staff. Looking across the sites, we can identify three prototypes for the client flow charts developed for JOBS: a choice model, a job-readiness screening model, and an educational screening model.

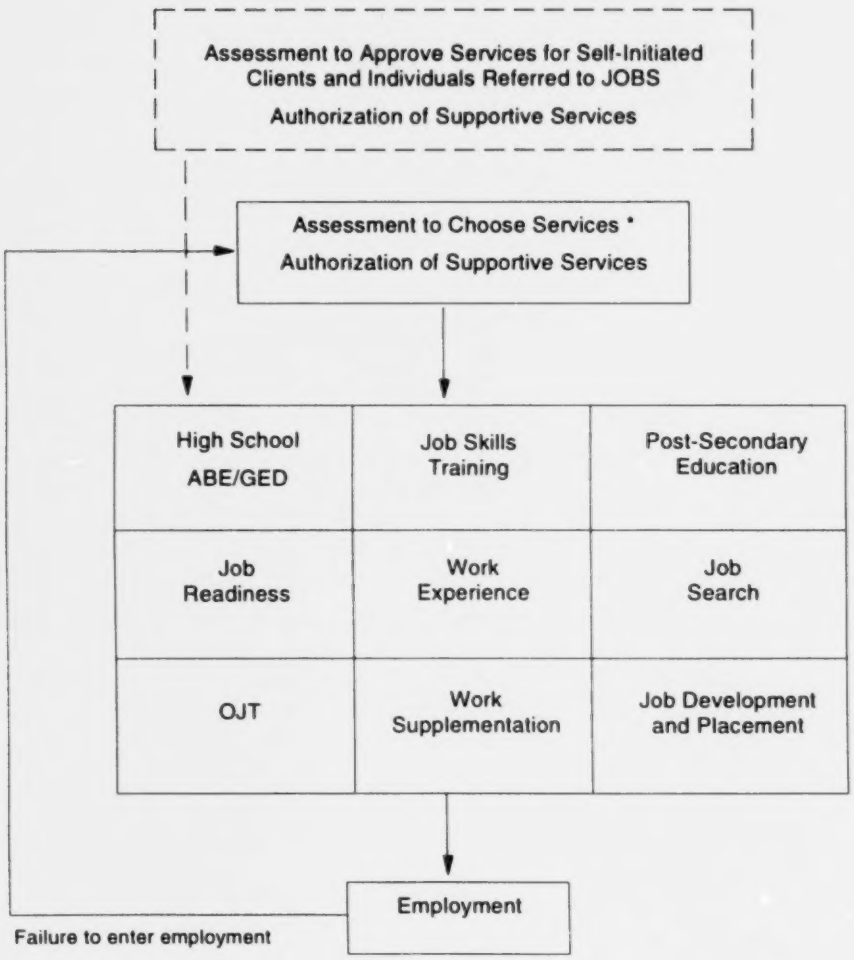
These three prototypes are idealized models: they do not include all the activities and paths described in the more detailed flow charts developed by some of the local sites, and they also list services that were not offered in individual sites. More important, many sites' flow charts did not describe their actual practices. However, because the flow charts expressed the agencies' goals or intentions regarding their JOBS programs, they are a useful starting point for understanding how JOBS is being implemented.

The prototype in figure 1, which Gueron and Pauly describe as an "assessment/choice" model, specifies no sequences of services. "The particular barriers to employment and self-sufficiency and needs for services [are] identified through testing, counseling, and other means, and an individualized plan developed, with both case managers and welfare recipients influencing the nature and sequence of services" (Gueron & Pauly, 1991, p. 181). In this model, the choice of services for an individual depends solely on the assessment process, with considerable weight given to the judgments of the front-line worker and the preferences of the client. The flow chart does not encourage front-line workers to emphasize one service over another or to serve individuals with particular demographic, educational, or labor market characteristics. Because all three prototypes include an assessment, we refer to this prototype simply as a "choice" model.

The dotted lines in figure 1 are included to illustrate that, in actual practice, the assessment does not serve to determine the choice of services for all participants. For some participants, including a large share of the caseload in certain sites, the assessment was not a process for selecting

Figure 1

Client Flow Chart: Choice Model



* Assessment may include initial, in-depth, and/or test components and may be provided at several stages in the client flow process.

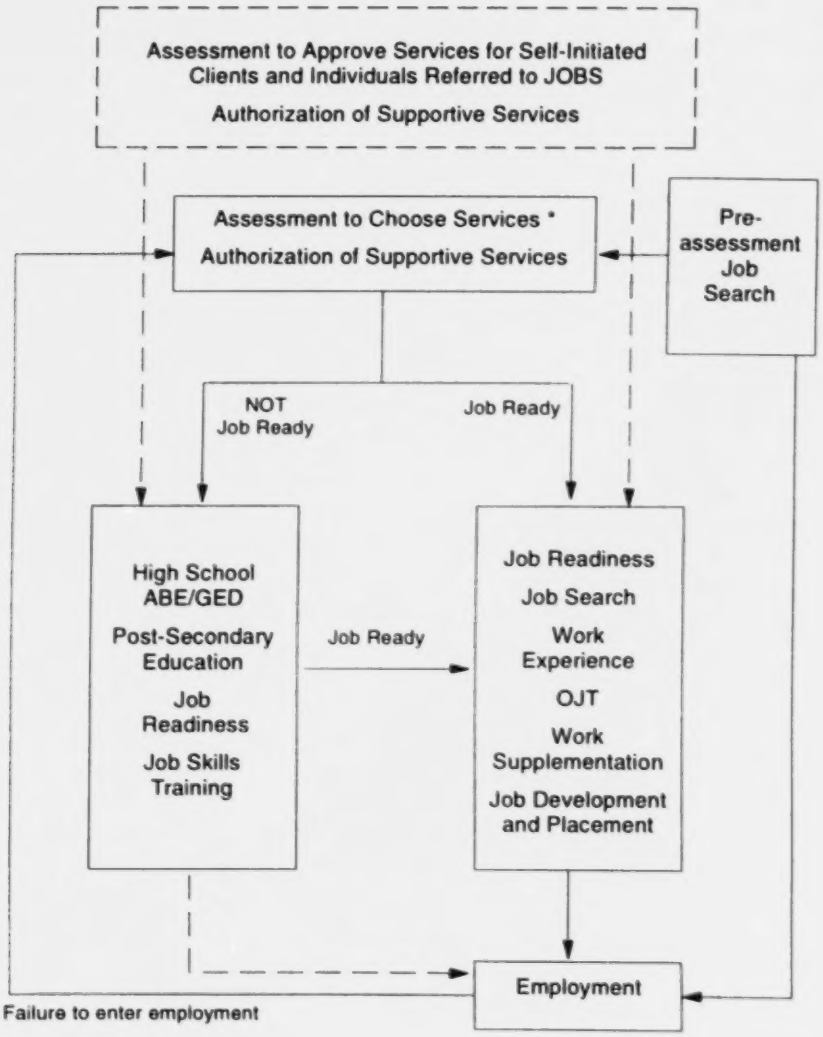
services, but rather a process for approving services provided by other organizations. According to the Family Support Act and the federal regulations, individuals who are engaged in other programs that provide the types of services offered through JOBS may be allowed to continue in these programs, provided that their participation is approved according to criteria established by the state. Once their participation in self-initiated activities is approved, they are considered to be participating in JOBS and are eligible for child care and other supportive services funded through JOBS. Hence, the assessment is used to approve the self-initiated activity rather than to select a service based on the client's needs as determined through the assessment. This path of entry into JOBS was not typically indicated in the formal flow charts designed by the sites, but it is important enough in practice to warrant recognition in all three prototypes.

A closely related variation of this path of entry into JOBS is entry through a referral to the welfare agency from another agency providing education, training, and employment services. In some states, individuals who were attempting to enroll in the programs of other agencies were referred to the welfare agency for JOBS-funded supportive services and were enrolled in JOBS when these supportive services were authorized. This arrangement, described by the Texas field associate as a "reverse referral," also means that the assessment was an approval process rather than a selection process. In Texas, where reverse referrals were common, many JOBS participants were individuals who had volunteered for programs of the Job Training Partnership Act (JTPA) and came to the welfare agency for child care and other supportive services provided by JOBS. Reverse referrals occurred in other states as well, although not as frequently as in Texas.

The prototype in figure 2 uses an initial assessment or screening to separate clients into two tracks on the basis of their ability to begin immediate employment, or their job readiness. We refer to this prototype as a "job readiness screening" model. Individuals who are judged at the initial assessment or screening to be job ready are referred to a set of services that includes job search and work programs such as work experience. Individuals with more barriers to employment are referred to another array of activities that includes education and skills training. Once assigned to a track, an individual may be placed in a fixed sequence of services or in a program that offers an integrated combination of services. Alternatively, a second and more in-depth assessment may be performed to select services for each individual from among those available within the track, as in the choice model. Individuals who complete job search and work activities without becoming employed are reassessed

Figure 2

Client Flow Chart: Job Readiness Screening Model



* Assessment may include initial, in-depth, and/or test components and may be provided at several stages in the client flow process.

and referred to the education and training track. The dotted line into employment indicates that, in practice, some individuals become employed without completing the full sequence of services.

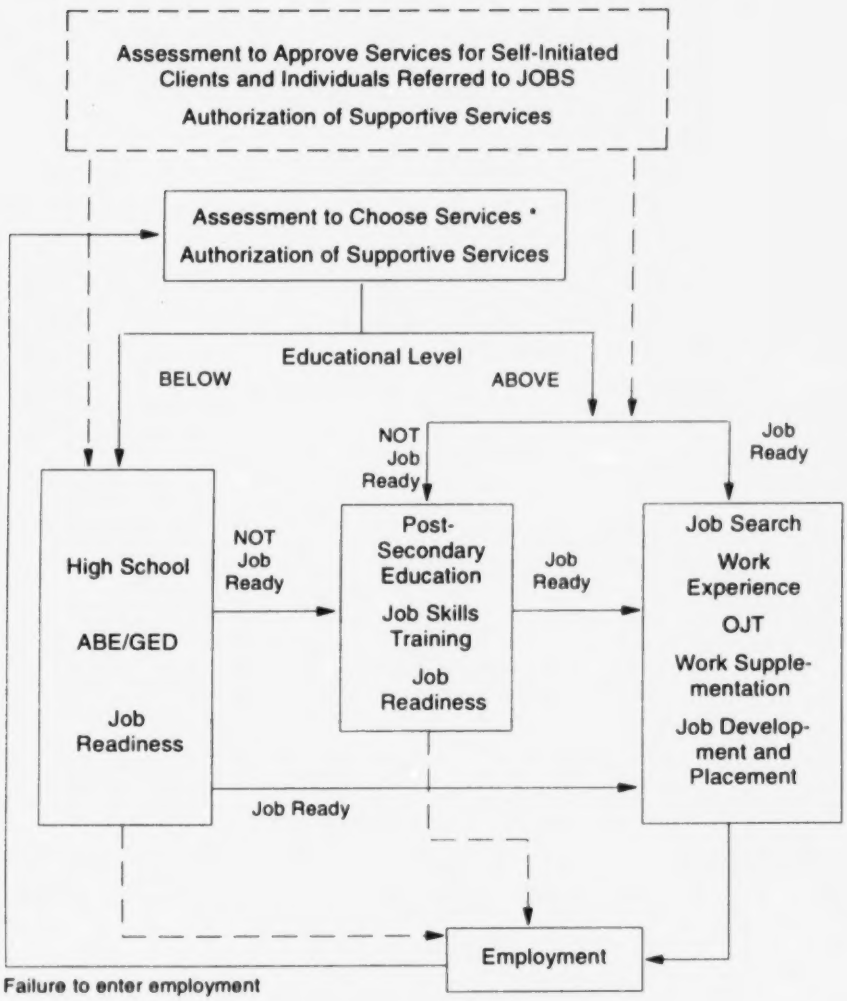
Figure 2 also illustrates the referral of individuals to job search prior to an initial assessment. The Family Support Act permits welfare agencies to assign applicants for welfare and welfare recipients to job search for three weeks without assessing their needs and abilities to participate in JOBS. In implementing JOBS, three states—New York, Oklahoma, and Oregon—chose to permit their local welfare districts to refer individuals to an initial period of pre-assessment job search. Only in Oklahoma did the local sites appear to be using this option with any regularity, and they enforced this assignment only on the Unemployed Parent segment of the AFDC caseload.

A prototype that emphasizes education is illustrated in figure 3, where individuals are separated into tracks based on two criteria, education level and job readiness. This prototype, which we call an "educational screening" model, emphasizes an initial assessment or screening to judge whether individuals have achieved minimum educational competencies. Individuals who have not attained a minimum level of education are assigned to an educational activity regardless of their ability to engage in immediate employment. Some states defined the level of education in terms of the grade level completed, while others administered a test to determine reading and math competency. Individuals who do not meet the minimum level must be given the opportunity to attend school before they are assigned to a training or employment program. Individuals who have achieved the minimum educational or competency level are separated into two tracks according to their job readiness. As in the job readiness screening prototype, they are referred to a set of services that includes job search and work activities or to a set that provides job skills training and post-secondary education.

All three prototypes use an assessment, or a screening and assessment sequence, to select the service or track to which each individual is referred, and so we can describe each prototype as an assessment-based model. The difference among them is the range of choice given to workers and clients in selecting services. Under the choice model, an individual can choose to attend school or a training program to enhance her earning capacity even if she is prepared to enter the labor market. The job readiness screening model requires or strongly encourages an individual with this preparation to enter job search or a work activity, while the educational screening model encourages individuals without minimum educational competencies to attend school before entering the labor market. Hence, the models differ not in the process used for selecting

Figure 3

Client Flow Chart: Educational Screening Model



* Assessment may include initial, in-depth, and/or test components and may be provided at several stages in the client flow process.

services or in the array of services available, but in their varying emphases on immediate employment as opposed to education. In the words of one field associate, "The client flow chart helps determine the strength of the push into immediate employment. When the flow chart tracks job-ready individuals into job search activities, workers know how the agency has set its priorities."

Another field associate argued that even a choice model does not give totally free choice to the worker and client. If the selection of service for an individual were based solely on her assessed needs and choices, JOBS would be able to refer her to any activity available in the community. "Unless JOBS could provide cash or a voucher that an agency or individual could use to purchase any desired type of education or training, no program will be suited precisely to the assessed needs and preferences of each participant," he argued.

We can draw only tentative conclusions about which of the three prototypes most closely describes the programs designed by the individual sites. The flow charts developed by some sites were very complex while others were not well articulated, and the groupings of services were not always identical to those in the prototypes. For these reasons, we make the following generalizations with some caution. At least two of the local sites in New York appear to have designed a choice model. Tennessee's program can also be placed in this category: all participants in JOBS were volunteers and an assessment was used to refer most of them to education or training activities. Mississippi, Oregon, and Texas made efforts to track job ready individuals into job search and work activities, reserving education and training for more disadvantaged individuals. Maryland, Michigan, Oklahoma, and Pennsylvania appear to have screened individuals first on their level of education, encouraging participants to attend school or another education program before engaging in a further JOBS activity.

Local Implementation of Program Models

One of the lessons of the field research is that the formal flow charts designed by the states and the local sites were not yet fully operational and, for this reason, often did not describe actual practice. The field associates of all states except Oklahoma noted deviations from the flow charts in the local programs they examined. Their reports led us to conclude that a flow chart should not be interpreted as a description of an existing program, but rather as a management device that assists in planning to identify the services needed to achieve program goals, to organize staff activities, to specify the flow of clients from one group of staff to another, and to inform staff about their tasks and the agency's

priorities. Actual practice can deviate from the flow chart for a host of reasons.

In order to understand the structures of JOBS programs, we must look beyond the models of client flow designed by state and local agencies. To a greater or lesser degree, the actual structures of the programs depend on the supply of services created through JOBS and offered by other programs. In practice, the availability of services at the local sites constrained the agencies' ability to implement the formal flow chart, for some or all JOBS participants. In many sites, agencies assessed the individual's needs, but the availability of services influenced the selection of services to some degree. In addition, field associates in Michigan, Pennsylvania, and Tennessee noted that the participants themselves were sometimes selected by the agency to fill existing service slots.

Moreover, many JOBS participants who were engaged in the programs of other agencies were not assigned to these programs as the result of an assessment through JOBS. They had short-circuited the assessment process, entering JOBS as self-initiated participants or through a referral from another agency for JOBS-financed supportive services. Many participants entered JOBS in this manner in states where funding levels for the program were low and the quantity of services purchased for JOBS participants was inadequate to meet the mandated participation rate. In Texas, sites were under such pressure to meet the participation rate that they counted as participants some individuals who were enrolled in public schools, but were receiving no services through JOBS, not even supportive services.

In another state where funding for JOBS was low, the lack of services led the field associate to describe JOBS as a "service-driven" program. In the mid-sized city of this state, according to the field associate's report, "Clients are enrolled in JOBS only if their needs and wishes fit one of the readily available services." In the urban area, the field associate added,

> the program is predominantly service driven. Based on client interests and a very superficial assessment, clients are referred to service providers that appear to have programs responsive to their needs and wishes. The provider performs a more detailed assessment and an employment plan is completed, but the plan tends to focus heavily on the services available through that provider, that is, it describes primarily what the provider who prepares the plan is going to do for the client. Only rarely is a client referred to another provider before receiving services.

As a result of a limited array and quantity of services, JOBS agencies were generally limited in their ability to implement the models specified in their client flow charts. When a JOBS caseworker and client engaged in an assessment and developed an employment plan, they often had to

select among a set of services that was more narrowly constrained than the set specified in the design of the agency's JOBS program. When an individual entered JOBS as a self-initiated participant or through a referral from another program, she may have been engaged in a service that would not have been selected through the assessment process. Although this service was approved by a JOBS caseworker and might have been in the best interests of the client, this process of entry into JOBS indicates that agencies did not have complete control over the services that participants received and may not have fully implemented the designed program model.

Implications

Our examination of the flow charts of the individual sites, together with the review of service availability below, leads to the conclusion that most of the sites had not implemented well-articulated JOBS programs at the time of this study. While their flow charts set broad policy guidelines, the sites were still in the process of determining which services in the chart would be given the most emphasis and arranging a supply of these services. This is not surprising, given the short time that had elapsed since the JOBS legislation was enacted and the relatively low level of resources devoted to the program by some states. Sections 3 and 4 of this paper examine in detail how each JOBS service was obtained and which of these services were available at the local level.

Because many sites had not yet fully operationalized their program designs, their JOBS programs differed in an important respect from the welfare employment programs evaluated by the Manpower Demonstration Research Corporation (MDRC) and other organizations (Gueron & Pauly, 1991). The agencies taking part in the evaluations adopted a clear program model and appeared to be implementing this model. But a well-articulated program that emphasizes one service or sequence of services over another implies an ability and commitment by the agency to offer a particular set of services. The sites in this study, uncertain of their capacity to guarantee a particular set of services for participants, maintained a flexibility that gave them the ability to incorporate into JOBS whatever services they could obtain for participants or participants could obtain for themselves.

3. BUILDING PROGRAM CAPACITY: INTERAGENCY LINKAGES, FUNDING, AND ARRANGEMENTS FOR SERVICE DELIVERY

The Family Support Act was the product of a new consensus that "the welfare system should be transformed from one emphasizing income maintenance to one stressing education and training" (Rovner, 1988a). As a participant in crafting the Act noted, "we were trying to change the very nature of the AFDC program. We intended, as Senator Moynihan repeatedly emphasized, to take an income-maintenance program with only a peripheral interest in employment and turn it into an employment and training program that provided income support" (Baum, 1991, p. 610). To help realize this goal, the Act gave responsibility for administering JOBS to the welfare agency of each state. Administration by the welfare agency was expected to integrate services that promote employment with the agency's income maintenance functions, to enable the agency to tailor JOBS services to the particular needs of welfare recipients, and to strengthen the control of the welfare agency over the state's welfare employment programs.

Welfare agencies have traditionally focused their primary attention on determining eligibility and benefits for income maintenance programs and given less attention to the delivery of employment and training services. Federal legislation enacting the WIN program in 1967 gave responsibility for establishing WIN to the federal Department of Labor, which administered the program through the states' employment security agencies. In 1976, federal regulations sought to coordinate the activities of the labor and welfare agencies, as well as to increase the role of the welfare agencies in WIN, by requiring that the program be administered jointly by the two agencies. The regulations called for states to create a separate administrative unit within their welfare agencies—sometimes called an employment unit—to provide and arrange supportive services for individuals participating in WIN activities. However, the regulations continued to give responsibility for providing employment and training services, as well as the federal funds to finance these services, to the states' employment security agencies.

Federal legislation enacted in 1981 gave state welfare agencies a new option: welfare agencies could operate a WIN Demonstration program on their own independently of the employment security agency. In 1988, after many state welfare agencies had gained several years of experience

in operating WIN Demonstrations, the Family Support Act mandated this arrangement, granting full administrative responsibility for JOBS to the state welfare agencies. Although the Act requires that state welfare agencies coordinate with the other state agencies providing education, employment, and training services, all authority and funds for JOBS are given to the welfare agencies.

How did the welfare agencies use this authority to build the capacity to provide JOBS services? What strategies and mechanisms did they adopt to access a supply of services for JOBS participants? How did they attempt to ensure that these services met the needs of JOBS participants and the statutory and regulatory requirements of the JOBS program itself? Finally, is rhetoric becoming a reality? To what extent has the Act transformed the AFDC program into an employment and training program that provides income support?

We address these questions by examining three interrelated features of the structure of the JOBS programs operating at the local level, as listed in figure 4. One structural feature of JOBS is the interorganizational linkages among service providers. The division of responsibility among local welfare agencies and other organizations in administering JOBS and delivering JOBS services varies from site to site. The welfare agency may act as the lead agency in arranging for the delivery of education, training, and employment services, or it may transfer this responsibility to another agency. The financial arrangements for accessing services are a second critical feature of the program. Some services for JOBS participants are financed with JOBS funds, and some are subsidized by the resources of other programs. A third structural feature of the program is the mode of service delivery: the welfare agency or another lead agency may arrange services exclusively for JOBS participants or, alternatively, it may mainstream participants into other programs created for a broader group of individuals. These features of the JOBS programs of the local sites, and the relationships among them, are discussed in detail in this section.

LINKAGES BETWEEN WELFARE AGENCIES AND OTHER ORGANIZATIONS

A welfare employment program such as JOBS should be viewed as part of an education, training, and employment system, rather than as an isolated program. This system comprises a set of organizations that specialize in delivering a service or services, using funds from various federal, state, and local sources. Although the programs are not always well coordinated, they are interrelated in important respects (Burbridge & Nightingale, 1989; Trutko et al., 1990; Grubb & McDonnell, 1991). A

Figure 4

Structural Features of the JOBS Program

Organizations Providing JOBS Services

- Welfare Agency
- Other Lead Agency
- Other Provider Organizations

Financial and Other Mechanisms for Accessing Services

- Funding Through JOBS
  - In-House Service Delivery
  - Contracts with Service Providers
- Funding Through Other Programs
  - Formal Inter-Agency Agreements
  - Informal Inter-Agency Agreements
  - Reverse Referrals/Self-Initiated Activities

Arrangements for Service Delivery

- Services Designed Exclusively for JOBS Participants
- JOBS Participants Mainstreamed into Other Programs

systems perspective is particularly necessary for understanding the implementation of JOBS, since welfare agencies have traditionally focused their attention on determining eligibility and benefits under income maintenance programs, not on delivering employment and training services. Thus, in order to obtain the services required to implement the program, welfare agencies needed to draw upon the expertise of other organizations.

The Family Support Act anticipated that welfare agencies would obtain services from other organizations. The Act permits welfare agencies to purchase services from other agencies with JOBS funds and requires that the welfare agencies obtain services from other agencies

without payment, or on a "non-reimbursable basis," when the recipient is entitled to the service by virtue of residency in the state, county, or school district. To help achieve these linkages, the Act permits the welfare agency to contract for services and instructs governors and state welfare administrators to coordinate the planning and delivery of JOBS services with other education, training, and employment programs in their states.

One of the objectives of the field research is to assess the extent to which welfare agencies have developed independent, in-house capacities to operate welfare employment programs or, alternatively, have developed capacities to operate welfare employment programs by drawing upon the staff and expertise of other organizations. These other organizations—schools, the JTPA agencies, employment security agencies, non-profit organizations, and for-profit organizations—specialize in delivering education, training, and employment services. The Family Support Act encourages the welfare agencies to coordinate with these organizations and enables the welfare agencies to purchase services from them. To what degree are welfare agencies relying on other agencies, and what are the implications of this reliance for service delivery?

Lead Agencies at the Local Level

Although the WIN Demonstrations convinced Congress that welfare agencies should be given responsibility for operating welfare employment programs, the WIN Demonstrations also helped create momentum for organizational change in another direction. During the 1980s, as state welfare agencies exercised their options to develop welfare employment programs, state administrators and legislators became increasingly aware of the fragmentation of their efforts to provide education, training, and employment services. With WIN offering a wider array of services, with the JTPA demanding greater coordination among employment and training agencies, and with a growing recognition that service integration could benefit both government and clients, some states began adopting a more system-wide perspective in organizing their employment and training programs. To varying degrees, these states viewed the WIN Demonstration as but one component of a larger integrated employment and training system or as the joint responsibility of an inter-agency team.

In an effort to foster an integrated system, Maryland created an umbrella organization to oversee all of its employment and training programs, including WIN. Pennsylvania took advantage of the WIN Demonstration to develop its Single Point of Contact Program (SPOC)—now one track of the state's two-track JOBS program—through a joint initiative of the four agencies that operate the state's education, training, and employment programs. In 1988, prior to passage of the Family

Support Act, Tennessee had allocated a block of JTPA funds to serve AFDC recipients, creating a pilot program that was the precursor of JOBS in that state. Michigan and Texas were designing an integrated employment and training system at the time of JOBS implementation, although it was not sufficiently well developed to play a role in JOBS. Similarly, New York was attempting to coordinate its employment and training programs, although the state had not yet made sufficient progress toward an integrated system to influence the implementation of JOBS.

In implementing JOBS, all state-level welfare agencies developed some interagency contracts and agreements to manage and operate various components of their JOBS program. The degree of interagency coordination and program integration, however, varied considerably from one state to another. At one extreme are Maryland, Pennsylvania, and Tennessee, where the state welfare agency forged strong linkages with the state JTPA agency and moved toward integrating JOBS into a broader state employment and training system. At the other end of the spectrum are Michigan, New York, and Oklahoma, where the state- or local-level welfare agencies maintained full responsibility for operating the program, taking the lead in serving recipients in-house or in contracting with other organizations for service delivery. We refer to these two types of interagency linkages as an "integrated" system and a "welfare agency" approach. Between these extremes are Mississippi, Oregon, and Texas, where the state welfare agency contracted with a single local organization in each area to perform the primary JOBS activities or to subcontract with other organizations for service delivery. We refer to this as a "contracting" approach. The State Profiles in Appendix B describe in more detail the interagency linkages created by state welfare agencies to obtain services for JOBS participants.

As a result of these arrangements, one agency in each of the local sites was given lead responsibility for accessing a supply of services for JOBS participants, either by negotiating formal contracts and agreements with other organizations to purchase these services, by arranging to refer participants to other organizations for services that were not financed through JOBS, or by delivering JOBS services directly. The local agencies with lead responsibility for accessing a supply of JOBS services or operating tracks of the program are listed in table 3.

In states with an integrated system—Maryland, Tennessee, and Pennsylvania (SPOC)—the state welfare agency contracted with the state JTPA agency for the delivery of all or most JOBS services. The state JTPA agency then contracted with its local Service Delivery Areas (SDAs), which in turn negotiated contracts and made other agreements with local provider organizations. In each area, the administrative entity of the SDA

Table 3. Organizations with Primary Responsibility for Arranging JOBS Services at the Local Level

	Urban Area	Mid-Sized Area	Rural Area
Single Contract between State Welfare Agency and State JTPA Agency			
Maryland	City of Baltimore Office of Employment Development (SDA)	Anne Arundel County Office of Manpower (SDA)	Chesapeake College (SDA)
Pennsylvania (SPOC)	Private Industry Council of Philadelphia, Inc.	Southern Alleghenies Planning and Development Commission (SDA)	Mid-State Employment and Training Consortium (SDA)
Tennessee	Mayor's Employment and Training Resources Agency of Metropolitan Nashville and Davidson County (SDA)	Alliance for Business and Training of Northeast Tennessee, Inc. (SDA)	Jackson State Community College (SDA)
State Welfare Agency Contracts with Local Prime Contractors or Local Service Providers			
Oregon	Southern Willamette Private Industry Council	Southern Oregon Regional Employment Compact (SDA, Rogue Community College, Oregon Employment Division local office)	Training and Employment Consortium (SDA)
Mississippi	Hinds County Human Resource Agency (CAA)	Gulf Coast Community Action Agency (CAA)	Mid-State Opportunity, Inc. (CAA)
Texas (Service Level I)	MAXIMUS, Inc. (for-profit organization)	Texas Employment Commission	Rural Coastal Bend Private Industry Council, Inc.
Welfare Agency Arranges Services			
Michigan	Michigan Department of Social Services, Wayne County Local Office	Michigan Department of Social Services, Kalamazoo County Local Office	Michigan Department of Social Services, Tuscola County Local Office
New York	New York City Human Resources Administration	Oneida County Department of Social Services	Career Development Center of ACCESS Private Industry Council
Oklahoma	Oklahoma Department of Human Services, Tulsa County C Office	Oklahoma Department of Human Services, Carter County Office	Oklahoma Department of Human Services, LeFlore County Office
Pennsylvania (New Directions)	Pennsylvania Department of Public Welfare, Philadelphia County Assistance Office	Pennsylvania Department of Public Welfare, Blair County Assistance Office	Philadelphia Department of Public Welfare, Clinton County Assistance Office
Texas (Service Level II)	Texas Department of Human Services Region 11	Texas Department of Human Services Region 8	Texas Department of Human Services Region 8

provided some services directly, contracted with specialized service providers for other JOBS services, referred selected participants to their regular JTPA activities, and negotiated with providers in the community for services that were available for JOBS participants without payment.

In Oregon, the state welfare agency selected an organization in each local area to serve as the prime contractor for JOBS. The prime contractor provided some services directly, negotiated subcontracts, and made other arrangements with local provider organizations. The state welfare agency gave its local districts a choice of negotiating prime contracts with either the administrative entity of the JTPA Service Delivery Area or the local community college. The three districts in this study chose to contract with the SDA, although community colleges were major sub-contractors in both the urban and mid-sized sites. Unlike Maryland, Tennessee, and Pennsylvania, the primary linkage was between the state welfare agency and the local SDA, with the state-level JTPA agency playing less of a role.

In Texas and Mississippi, the state welfare agency contracted directly with local service providers. Texas screened welfare recipients into three service levels based on their educational attainment and prior work experience. (Individuals with less than a ninth grade education or with significant barriers to employment were screened into Service Level III and excused from participation in the program.) To obtain services for Service Level I clients, those judged to be job-ready, the Texas Department of Human Services contracted with a single provider in each site for a package of job readiness, job search, and job placement services. These contracts were awarded by the state through a competitive bidding process. As shown in table 3, the contract in Houston was awarded to MAXIMUS, Inc., a for-profit company, the only instance in the nine states in which an organization of this kind played a major role in the program. The state's employment security agency, the Texas Employment Commission, won the contract in Nueces County (Corpus Christi). In rural Bee County, the contract was awarded to the Private Industry Council of the SDA.

In Mississippi, the state welfare agency contracted with the state education agency for a limited supply of GED training and with local Community Action Agencies (CAAs) for the provision of case management services. The state did not expect the CAAs to subcontract for services and gave them no JOBS funds to purchase services from other local organizations. However, as part of their case management duties, the CAAs were responsible for accessing education, training, and employment services for JOBS participants. This has proven to be difficult in the absence of funding to purchase these services.

In Michigan and Oklahoma, the state welfare agency or its local offices have lead responsibility for arranging JOBS services. The state agency in Oklahoma retained primary responsibility for negotiating contracts and agreements with both other state agencies and with local provider organizations, delegating little responsibility to its local offices. Of all the states in the study, the state welfare agency in Oklahoma exercised tightest control over the operation of JOBS at the local level, designing program components and monitoring the activities of individual caseworkers. The state welfare agency in Michigan, in contrast, delegated considerable authority to its county offices to design their JOBS programs; county offices also had the authority to negotiate contracts with local service providers, although state approval was required. In New York, where public assistance is administered by the counties, the state gave them considerable discretion to design their JOBS program and contract for services. In New York City and mid-sized Oneida County, the welfare agency had lead responsibility for arranging JOBS services. The welfare agency in rural Franklin County contracted with the SDA to operate JOBS, continuing an arrangement that began in the 1970s under the Comprehensive Employment and Training Act.

The state welfare agencies in Pennsylvania and Texas gave their local welfare offices responsibilities for one track of their two-track programs, the New Directions track in Pennsylvania and the Service Level II track in Texas, which was designed for individuals needing education and training. In both of these states, most JOBS funds allocated for education, training, and employment services were devoted to the other track of the program, SPOC in Pennsylvania and the programs for job-ready Service Level I clients in Texas. The JOBS funds allocated to the welfare offices were used almost exclusively to support case managers and other welfare agency staff. The County Assistance Offices of the Pennsylvania Department of Public Welfare exercised considerable discretion in operating the New Directions track, providing low-cost services such as job readiness activities, job search and placement, and referral to the programs of other agencies for services available at no cost to the welfare agency. Case management services were also the principal service funded for recipients in the second track of the Texas program, the program for recipients screened into Service Level II for education and training.

These decisions transferred major responsibility for operating JOBS from the welfare agency to other local organizations in the majority of the sites in the study. In states with integrated systems and states using a contracting approach—Maryland, Mississippi, Oregon, Tennessee, and Texas (Service Level I)—the state welfare agency contracted with another agency at either the state or local level to perform the major JOBS

functions for all or some of their caseload: completing the assessment and developing the employment plan, referring individuals to services, and arranging these services by providing them directly or obtaining them from other agencies. In Pennsylvania's SPOC program, these tasks were shared among several agencies, although the JTPA agency played a dominant role in contracting for services.

Hence, in these states, the primary role of the welfare agency staff in operating JOBS or a track of the program was to give recipients information about the program, perform an initial assessment or screening to ascertain whether they were exempt from the program and, if they were not exempt, refer them and volunteers to the lead agency. In only a minority of states—Michigan, New York, and Oklahoma—did the welfare agency have primary responsibility for performing the major JOBS functions for the entire JOBS caseload, including assessment, referral to services, providing services in-house, and arranging for services to be provided by other agencies. In two additional states—Pennsylvania (New Directions) and Texas (Service Level II)—the welfare agency had this responsibility for a segment of the JOBS caseload.

Welfare Agency Staffing for JOBS

Most local welfare offices made few changes in staffing in response to the JOBS program, and the limited changes that were made generally involved reassigning existing staff or increasing their responsibilities rather than hiring additional staff. The majority of welfare offices were able to implement JOBS without hiring large numbers of staff because they already had staff in place to operate their WIN Demonstration program or because they contracted with other organizations to perform the major JOBS functions for all or some of their caseload.

In all states, welfare agencies were responsible for informing recipients about the JOBS program and determining their exemption status; at the other end of the process, they were responsible for sanctioning recipients who failed to participate without good cause. The role of welfare agencies in arranging child care for JOBS participants varied considerably among the states. The welfare agency staff in Michigan, Oklahoma, and Pennsylvania had sole responsibility for assisting recipients in arranging child care, while welfare agency staff in Maryland, New York, and Oregon could refer recipients to organizations specializing in providing child care information and referrals. In Mississippi, Tennessee, and Texas, welfare agencies contracted with child care management agencies or brokers to handle the major tasks in arranging and financing child care (Hagen & Lurie, 1993). Case management tasks

other than arranging for child care were generally performed by the agency with lead responsibility for JOBS services.

To implement the JOBS track for Service Level II clients, for which the welfare agency has lead responsibility, the Texas Department of Human Services dedicated approximately two-thirds of its JOBS funds to provide case management. This decision enabled the local welfare agencies to hire substantial numbers of additional staff, primarily case managers and supporting technicians who assist them in paperwork, reporting, and other functions. Case managers were expected to play a particularly critical role in the Texas program for Service Level II clients, since they were given responsibility for obtaining most services for JOBS participants from other agencies without payment.

In the other states where the welfare agency took the lead in operating JOBS, fewer staff were hired. In Michigan, where the case managers were expected to perform all case management functions, including making arrangements for child care, a hiring freeze prevented the welfare agency from adding new workers. As a result, the high caseloads of the case managers created a severe bottleneck in moving recipients into education, training, and employment services, which appeared to be in adequate supply relative to the number of recipients referred to the case managers. The welfare agency in New York City hired or reassigned about 200 staff to its BEGIN program, while the rural New York site added one worker and increased another worker from part- to full-time. The welfare agency in the mid-sized site was unable to hire additional workers, a restriction that was placed on many of the county's offices. The Oklahoma welfare offices hired only a small number of new workers in implementing JOBS; they already had in place a staff of AFDC caseworkers and job developers who had considerable experience in working together on welfare employment programs. Oklahoma welfare offices operated a strong employment and training program prior to JOBS, delegating little responsibility for their program to other state agencies.

Other Service Providers

Many other different types of organizations played roles in the JOBS program as service providers: local school districts, vocational and technical schools, community colleges, four-year colleges and universities, employment security agencies (Wagner/Peyser agencies), non-profit community-based organizations, and for-profit education and training firms. Some states had more extensive networks of service providers than others, and the predominance of each type of organization varied from one state to another. In addition, local sites made different choices in the organizations that they selected to provide JOBS services or that they

relied upon for a source of services without payment of JOBS funds. But one of the important lessons from the field work, as discussed in section 4, is that there is an infrastructure of organizations that are willing to provide JOBS services if they are paid to do so.

FINANCIAL AND OTHER MECHANISMS FOR ACCESSING SERVICES

As shown in figure 4 (page 20), JOBS services can be purchased with JOBS funds or can be obtained from other agencies without payment. This section discusses the efforts of the state and local agencies to fund JOBS, the types of contracts used to purchase services, and the mechanisms used to obtain a supply of services for JOBS participants without payment. The efforts of the local sites to access the required and optional JOBS services are discussed in detail in section 4.

Funding for JOBS

States were making widely varying efforts to fund the JOBS program, a result both of severe fiscal pressures and other priorities that were more pressing for governors and state legislatures, particularly education. As shown in table 4, total spending for JOBS in fiscal year 1991 ranged from a high of $84.4 million in New York to a low of $1.7 million in Mississippi. Oregon devoted enough of its own funds to the JOBS program to draw down virtually all of the federal funds allocated to the state in fiscal year 1991, and Maryland also drew down a large share of its federal allocation. At the other extreme, spending in Tennessee was sufficient to draw down only 15 percent of its federal allocation, and Mississippi drew down only 11 percent of the state's allocation for 1991.

To put these expenditure levels in perspective, it is important to note that Mississippi, Oregon, and Texas did not operate the JOBS program statewide at the time of the study. Mississippi operated JOBS in 9 of its 84 counties, containing 29 percent of the state's AFDC caseload. Texas operated JOBS in 82 of its 254 counties, containing 90 percent of the state's caseload, while Oregon had a program in 16 of its 36 counties, containing 65 percent of the state's caseload. The Family Support Act requires statewide implementation of JOBS by October 1992.

Most of the states' matching funds were monies budgeted to the state welfare agency, but with experience in operating JOBS, some states were becoming increasingly adept at using the funding streams from other programs as the state's match to draw down federal JOBS funds. The ruling by the Department of Health and Human Services made at the end of 1990 (JOBS-FSA-AT-90-16) that permits states to use the funds of

Table 4. AFDC Cases and JOBS Expenditures Other than *Child Care, Fiscal Year 1991*[1]

State	Average Monthly Number of AFDC Cases[1]	Expenditures For the JOBS Program[2]	Percent of Federal Allocation Expended[2]
Maryland	74,100	$22,843,068	84.2
Michigan	227,400	31,595,436	33.6
Mississippi	60,200	1,678,841	11.4
New York	371,300	84,418,598	58.0
Oklahoma	42,400	8,247,079	61.9
Oregon	38,200	15,052,333	99.6
Pennsylvania	190,300	47,740,680	61.7
Tennessee	87,300	3,408,016	15.0
Texas	239,300	39,310,659	50.5
Total U.S.	4,362,400	$914,945,764	56.2

Sources:
[1] *1992 Green Book*, Overview of Entitlement Programs, Committee on Ways and Means, U.S. House of Representatives, May 15, 1992, pp. 656-7.
[2] Department of Health and Human Services, Office of Family Assistance.

their education agencies as part of their match for federal JOBS funds was particularly welcome at the state and local level. At the time of the study, Pennsylvania was restarting a stalled initiative that uses education funds as the state match for JOBS, and welfare agencies in both Michigan and New York were establishing joint programs with their state education agencies that use funds appropriated for education to draw down more fully their federal allocations.

Tennessee attempted to use the expenditures of private non-profit organizations as some of its match to draw down federal funds, but HHS ruled informally that the state's approach is not permitted by the federal regulations. Contributions from private organizations can only be used as matching funds for JOBS when the funds are first transferred to the welfare agency and the agency then permits all organizations to compete openly for the contracts or grants to provide the services (45

CFR 250.73(d)(2)). This provision is designed to prevent states from being compelled to use service providers that can provide the matching funds, without regard to the quality of the program they deliver. But this regulation discouraged Tennessee's non-profit organizations from contributing resources to JOBS and, with extremely limited state funds, it further constrained the state's efforts to implement the program.

In examining JOBS implementation at the local level, we did not attempt to estimate the amount of JOBS funds spent in each site. Most state welfare agencies allocated some of their JOBS funds directly to the local sites, generally based on the size of the local caseload, but they also allocated funds to other state and local agencies to be spent on behalf of JOBS participants. JOBS funds allocated to these agencies became merged with other funds, complicating efforts to track them to the local sites. The state welfare agencies in Mississippi, Oklahoma, and Texas did not allocate any funds to their local welfare offices for purchasing education, training, and employment services, allocating all JOBS funds for these services to other state and local agencies.

In addition, the resources of other programs were subsidizing the JOBS program to a greater or lesser degree in all of the states. JOBS participants were engaged in the activities of other organizations, drawing on the resources of schools, colleges, the JTPA, and other service providers in the community. Because the JOBS program was in effect subsidized by the other agencies that served JOBS participants, the total cost of serving participants was greater than the reported amounts of expenditures on the program. Only Maryland and Oregon appeared to finance the activities of most adult JOBS participants with JOBS funds and to rely little on the resources of other programs.

Although we did not estimate the amount of JOBS funds spent in each site, funding levels clearly are having a major impact on the ability of agencies to build the capacity to serve participants. Because JOBS participants were also being served with the resources of other organizations, the relationship between funding levels and the capacity to serve JOBS participants is not direct. Nonetheless, the states that appropriated small amounts of funds for JOBS, particularly Mississippi, Tennessee, and Texas, had considerably more difficulty than the other states in providing a supply of JOBS services. But even in Maryland and Oregon, which appropriated sufficient funds to draw down all or most of their federal allocation of JOBS funds, administrators expressed concern that the program was not adequately funded. With only small subsidies from other programs, administrators in these two states perceived funding as very constrained despite the relatively high level of federal support. The field research identifies both state and federal funding levels as not only

a major factor, but one of the most important factors, influencing the course of JOBS implementation.

Payment Mechanisms

In all states except Oklahoma, a substantial share of JOBS funds were used to contract with other agencies for JOBS services. In sites where lead responsibility for JOBS was transferred from the welfare agency to another organization, a single contract or interagency agreement was negotiated, generally at the state level, that specified the activities to be performed by the lead agency and, in some states, the participation rates to be achieved. The lead agencies provided some services in-house, but many of them in turn subcontracted with other organizations that specialize in providing a particular service.

Contracts for services that are not expected to lead to immediate employment, such as job readiness training and education, were generally written on a fixed fee or cost basis. Field associates did not report any contracts for education in which payment was conditional on the performance of the participant, such as completing a grade level or passing an examination. Contracts for skills training, in contrast, were more likely to be performance-based, requiring providers to achieve minimum job placement rates as a condition of receiving full payment under the contract. At least one site used a performance-based contract for its job search program: the contract for the Job Club in Kalamazoo, Michigan based payment on the length of participants' job placements. The competitively bid contracts for the job-ready Service Level I clients in Texas specified objectives for the program regarding employment and wage levels, but did not condition payment on achieving these objectives.

Accessing JOBS Services without Payment of JOBS Funds

Resources from other programs were supplementing JOBS funds to a greater or lesser degree in all of the states. The Family Support Act requires that welfare agencies obtain services from other agencies without payment, or on a "non-reimbursable basis," when the recipient is entitled to the service by virtue of residency in the state, county, or school district. This provision of the Act is designed to prevent JOBS funds from supplanting other funds that were being spent on behalf of welfare recipients before the JOBS program was created and to encourage other agencies to devote more resources to JOBS participants. As a result, JOBS participants were being served by programs funded through other sources, including the JTPA, the Adult Education Act, the Perkins Vocational and Applied Technology Education Act, the Higher Education Act's Pell grants and guaranteed student loans, local public school

programs, state and local post-secondary educational institutions, and others.

In addition, in implementing JOBS some state welfare agencies made formal agreements with other agencies to obtain services for JOBS participants without payment. The state welfare agencies in Mississippi, Michigan, Oklahoma, and Tennessee relied on other agencies for a substantial share of their services for JOBS participants. The Tennessee Department of Labor made a commitment to serve a specific number of JOBS participants through the JTPA, and the Michigan Department of Education agreed to fund remedial education, high school completion, and GED preparation for all JOBS participants needing these services. Interagency agreements in Mississippi and Oklahoma were more vague and did not specify the number of people to be served.

At the local level, several mechanisms are available to the lead agency to access the services of other programs without payment. The lead agency can enter into a formal agreement with a provider organization to serve AFDC recipients. The lead agencies can also make informal agreements with other agencies or refer individuals to another agency on a case-by-case basis without any type of prior agreement. Finally, and perhaps most important, individuals who are already participating in the programs of other agencies, or who are ready to enter these programs, can be referred to the JOBS agency for supportive services. These individuals enter JOBS as self-initiated participants or reverse referrals, as described earlier.

In many of the sites, the local organizations providing JOBS services engaged in a formal planning process to negotiate these interagency agreements. However, several field associates emphasized the importance of informal personal relationships between agency staff in making referrals from one agency to another. In the mid-sized site in Texas,

> the JTPA is absolutely vital to the operation of JOBS in the county, playing a role from the initial assessment and referral of potential participants to the JOBS agency to the financing of a substantial share of remedial education and job skills training. The leadership coming out of the JTPA on behalf of the JOBS program should not be overlooked. Virtually all of the PIC's key management and program positions are filled with former welfare agency staff who have worked literally alongside the local JOBS supervisor. And the JOBS supervisor has worked at the PIC offices, giving him an intimate knowledge of the JTPA program, the PIC board and the staff.

In the mid-sized site in New York,

> all county agencies are located in same building, including the welfare agency and the JTPA. The real planning seems to occur in the elevator or outside the building's front door, where people must go to smoke—yet another benefit of the no-smoking rule in public buildings.

Because these informal relationships appear to be important for interagency coordination, the mid-sized and rural sites had an advantage over large cities in accessing services for JOBS participants without payment. In some of the large urban areas, according to the reports of the field associates, the existence of large bureaucracies complicated the process of sharing information and created turf problems, making interagency coordination more difficult than in the less urban sites.

ARRANGEMENTS FOR SERVICE DELIVERY

Local welfare agencies can obtain a supply of JOBS services through two types of arrangements. They can create programs or classes exclusively for JOBS participants and tailor the programs to the needs of clients and the statutory and regulatory requirements of the JOBS program. Alternatively, they can mainstream JOBS participants into other programs or classes available in the community, such as the programs of the JTPA or educational agencies. One or both of these arrangements can be used by an individual site: for example, a site may tailor-make a program that meets the needs of a large share of the individuals in its caseload, such as remedial education, while mainstreaming other individuals into the more specialized job skills training programs offered by the JTPA or vocational-technical schools.

When programs were created exclusively for JOBS participants, they were typically financed by JOBS funds. Job readiness programs, for example, were generally tailored to the needs of JOBS participants and financed by JOBS. When individuals were mainstreamed into other programs, JOBS funds were sometimes used to support the organizations providing these services. In the integrated systems operated by Pennsylvania and Maryland, for example, JOBS funds "followed the client" and were used as a "reservation system" to ensure entry into the programs of organizations such as the JTPA, according to the reports of the field associates. More typically, however, JOBS participants who are mainstreamed into other programs were served with the resources of these programs. The welfare agency referred individuals to other programs available to JOBS participants at no cost to the welfare agency, relying often on formal or informal interagency agreements, or it approved the activities of individuals referred from other agencies or individuals in self-initiated education or training.

Mainstreaming individuals into the programs of other organizations has several advantages for the lead JOBS agency. Mainstreaming permits the agency to draw upon the expertise of specialized service providers and take advantage of economies of scale, increasing the range of services

available for JOBS participants. In addition, mainstreaming promotes social integration, avoiding the stigmatization that may result from isolating welfare recipients in programs designed exclusively for them. When JOBS funds do not follow the client and she is served with the resources of other programs, mainstreaming also provides a financial benefit for the lead agency.

Tailoring programs for welfare recipients also has several administrative and programmatic advantages for the lead agency. Most important, the lead agency can guarantee that JOBS participants will have access to a supply of service slots. Tailored programs also enable the lead agency to specify the content of programs and ensure that they are designed to address the particular needs and interests of the welfare caseload. Programs that combine several JOBS activities into an integrated package can also be created. In addition, tailored programs can be designed to meet for 20 hours per week and thus assist the state in meeting the federally mandated participation rate.

Creating programs exclusively for JOBS participants also facilitates the monitoring of clients' participation in the program. The lead JOBS agency can easily compile a roster of individuals who are scheduled to participate in the program and give this list to the service provider, who records attendance and returns the roster to the JOBS agency. In contrast, monitoring the participation of individuals who are mainstreamed into programs serving other clients is a more time-consuming task for the JOBS agency. The JOBS agency must send rosters to many agencies or rely on participants to carry attendance sheets to and from the agency and then verify attendance with these service providers. Field associates reported several instances in which service providers who were not under direct contract to the JOBS agency refused to record attendance, arguing that taking attendance is not their role, is too time-consuming, or is demeaning or stigmatizing to the client. Faculty in post-secondary schools were particularly reluctant to monitor the attendance of JOBS participants.

Although some tailored programs were offered in-house by the lead agency, they were often operated by another agency under contract. Contracting for services enabled the lead agency to draw upon the expertise of existing service providers and produce a supply of service slots relatively quickly and without the need to hire and train staff. However, some lead agencies developed an in-house capacity to offer basic services such as job readiness training, remedial education, and job search. In addition, work experience programs were typically operated in-house.

In general, the local sites created a limited array of services exclusively for JOBS participants. Many mid-sized cities and rural areas arranged only a few programs for JOBS participants, for example, a job readiness program and a remedial education program. Most large cities made a greater variety of arrangements, but the number and variety were still quite small. Sites that operated well developed welfare employment programs prior to JOBS generally offered a greater variety of programs tailored exclusively for JOBS participants than sites with newer programs.

The lead agencies generally created programs that they considered suitable for a large share of JOBS participants, particularly job readiness training and remedial education. To access the other services listed in their flow charts, many agencies mainstreamed participants into the programs of other organizations. To the extent that JOBS funds were available to follow participants and reimburse other organizations, the lead agency was able to access a variety of services for its caseload. But when JOBS funding was limited and the lead agency could not reimburse providers, entry into other programs was less certain. As a result, agencies with limited funding were typically drawing many of their participants from the mainstream programs of other organizations, relying on a more haphazard mixture of reverse referrals and self-initiated participants in order to meet their participation goals.

The limited array of tailored services and the reliance on reverse referrals and self-initiated participants led some field associates to describe the design of the JOBS program as service driven. While the formal flow charts designed by the local sites typically indicated that a wide array of services was available, in practice the range of services was considerably narrower. For this reason, the mix of JOBS services and the patterns of participation of individuals in the program cannot be explained solely by the design of the program or by the characteristics and preferences of participants. To explain these features of the JOBS program, it is necessary to examine the arrangements made to access the various types of required and optional JOBS services.

OVERVIEW OF STATE PRACTICES IN ACCESSING SERVICES

To assist in understanding the following sections of this paper, which describe the arrangements for accessing each of the required and optional JOBS services, we briefly describe the approach taken by each state to obtain a supply of services for JOBS participants. Summaries of their approaches are presented in table 5, where each state is rated as high,

medium, or low, relative to the other states, according to three characteristics of its JOBS program. The first rating is the degree to which programs were created or tailored exclusively for JOBS participants. The second is the degree to which JOBS participants were mainstreamed into other programs, either through a referral by the lead agency to another program or through a reverse referral from another program to the lead agency; self-initiated activities are included here as well. The third rating is the degree to which JOBS funds financed the services of individuals who were mainstreamed into these other programs. The table reflects the approaches of the urban sites more than the rural sites, where the scale of JOBS was often too small to warrant the creation of tailored programs.

Maryland: Project Independence. The state contracted with the local JTPA Service Delivery Areas to provide most education, training, and employment services for adult JOBS participants. The SDAs tailored some remedial education and job readiness programs for JOBS participants, but planned to mainstream many participants into regular JTPA programs. JOBS funds supported these services, financing the programs tailored for JOBS participants and following clients who were mainstreamed into the programs of the JTPA.

Table 5. Tailoring Services for JOBS Participants and Mainstreaming Participants into Other Programs

State	Programs Tailored for JOBS Participants	Participants Mainstreamed into Other Programs	JOBS Funding for Mainstreamed Participants
Maryland	low	high	high
Michigan	medium	medium	low
Mississippi	low	low	low
New York	medium	medium	medium
Oklahoma	medium	medium	low
Oregon	high	low	high
Pennsylvania			
SPOC	medium	medium	high
New Directions	low	medium	low
Tennessee	medium	medium	low
Texas			
Service Level I	high	low	low
Service Level II	low	high	low

Michigan: Michigan Opportunity and Skills Training Program (MOST). County offices of the state welfare agency were given primary responsibility for arranging JOBS services. For educational services, JOBS participants were mainstreamed into the state's heavily financed systems of adult basic and remedial education and post-secondary education. The welfare offices used JOBS funds to tailor job search, work experience, and some skills training programs for JOBS participants, although participants were also referred to the programs of other organizations such as the JTPA and the employment service.

Mississippi: JOBS. The state contracted with local Community Action Agencies for case management and gave them primary responsibility for accessing services for JOBS participants. With the exception of a small number of GED programs financed by JOBS and some individual job search assistance provided by the case managers, participants were mainstreamed into other programs without the support of JOBS funding. At the time of the study, however, a large share of JOBS participants were in the assessment process, and few were participating in a JOBS activity.

New York: JOBS and New York City's Begin Employment Gain Independence Now (BEGIN). Counties administer JOBS in New York and, unlike the other states in the study, finance a share of the cost of the program. The mid-sized county arranged the largest variety of programs for JOBS participants, financing many of them with JOBS funds, while the rural site contracted with the JTPA, which generally mainstreamed participants into its regular programs with financial support from JOBS. New York City designed and financed a limited variety of services for JOBS participants, achieving its participation goals by providing supportive services to large numbers of individuals who participated in self-initiated education and training activities financed through other programs.

Oklahoma: Education, Training & Employment Program (ET&E). Local districts of the state welfare agency were charged with primary responsibility for arranging JOBS services. Job readiness training, job development and placement, job search, and work experience were provided in-house by the welfare agency staff. JOBS participants were generally mainstreamed into the programs of other agencies for education and job skills training without the support of JOBS funding, although a small amount of funds were used to contract for adult basic education.

Oregon: JOBS. The state contracted with a local prime contractor in each welfare district to arrange JOBS services, selecting the local Service Delivery Areas in the three sites included in the study. These SDAs created job readiness training, education, and job search programs for

JOBS participants, while mainstreaming individuals into the job skills training programs of other organizations. Unlike most of the other states, which to a greater or lesser extent drew upon the resources of other organizations, almost all services for JOBS participants were financed by JOBS funds.

Pennsylvania: New Directions for Employment. Most JOBS funds in Pennsylvania were devoted to one track of the two-track New Directions program, the Single Point of Contact (SPOC) program, which is a tightly structured interagency effort that links the activities of the welfare agency, the JTPA, the employment security agency, and the education agency. SPOC is operated through contracts with the local JTPA Service Delivery Areas, which plan jointly with the other agencies to arrange education and skills training activities for JOBS participants. As in Maryland, the state planned to mainstream many participants into regular JTPA programs, although Pennsylvania arranged more separate activities for JOBS participants, particularly job readiness training and basic education. JOBS funds financed the programs tailored for JOBS participants and followed clients who were mainstreamed into the regular programs of the JTPA and other agencies. A relatively small share of JOBS funds were devoted to the less intensive track of New Directions; these funds were primarily used to support caseworkers in the welfare offices, who provided several low-cost employment and training services such as matching recipients with in-coming job orders and referring them to programs available in the community at no cost to JOBS. In part because these services were not generally scheduled for 20 hours per week, only individuals in SPOC were counted as JOBS participants by the state's management information system.

Tennessee: JOBSWORK. Like Maryland and Pennsylvania, the state contracted with the local JTPA Service Delivery Areas to provide most education, training, and employment services for JOBS participants. But unlike these states, Tennessee appropriated only a small amount of funds for the JOBS program and was relying on resources contributed by the JTPA to meet its participation goals. As a result, many JOBS participants were mainstreamed into regular JTPA programs that were supported by JTPA funds and subject to the JTPA performance standards. However, some programs were tailor-made for JOBS, in part to serve individuals who are more disadvantaged than the typical JTPA client and in part to meet the 20-hour rule defining participation in the JOBS program.

Texas: Winning Independence Gaining Success (WINGS). Texas operated a two-track JOBS program that began with an educational and job readiness screening by the welfare agency that sorted individuals into one of three service levels. Service Level I clients, defined as individuals

without significant barriers to employment and with either a high school education or recent work experience, were referred to a program composed of job readiness training, job search, and job placement services. This program was funded through JOBS and operated in each local site by an organization selected through a competitive bidding process under a contract that carefully specified the package of services to be offered to these job-ready clients. Service Level II individuals, defined as those with no significant barriers to employment and with nine to eleven years of education, were assigned to the case managers in the welfare agency, who in turn had the task of referring them to education, training, and employment services. But except for a small appropriation for adult education, the state appropriated no funds to purchase education or job skills training services. As a result, many of the Service Level II individuals who were counted as JOBS participants were receiving services through other programs and being referred to JOBS primarily for supportive services. Service Level III individuals, defined as those with less than a ninth-grade education or with significant barriers to employment, were excused from participation in the program.

Discussion: The Extent of Change within the Welfare Agency

The Family Support Act gave state welfare agencies considerable flexibility in forging the interorganizational linkages needed to access education, training, and employment services for JOBS participants. Although the Act granted state welfare agencies full responsibility for administering JOBS, it also encouraged them to coordinate with other agencies to draw upon their expertise and to obtain additional resources. These provisions gave state and local welfare agencies a range of options in building the capacity to operate the JOBS program, with discretion to choose whether the welfare agency would retain responsibility for arranging and delivering services or would transfer some or all of these tasks to other organizations.

After reviewing the initial efforts of state and local welfare agencies to access education, training, and employment services for welfare participants, we conclude that the extent of change within welfare agencies has been limited and that the rhetoric of the architects of the Family Support Act has not become a reality in most states. Their vision that the Act would transform the AFDC program into an employment and training program that provides income support was not shared by leaders in all of the states; the vision of an integrated education, employment, and training system was more compelling to some of the governors and state administrators charged with implementing the program. As a result, the majority of states have given lead responsibility for operating JOBS or

major tracks of the program to another organization, referring potential participants out of the welfare agency for all or most JOBS services. In two of the three states where the welfare agency retained lead operational responsibility for the entire program, local welfare agencies were generally limited in their ability to hire the staff needed to build a greater capacity within the agency to operate welfare employment programs. Only in Oklahoma has the welfare agency developed its own staff to a sufficient degree to begin the transformation of the welfare agency into an employment and training agency.

The reports of the field associates lead us to speculate about why many states did not make strong efforts to build the capacity to operate JOBS within their welfare agencies, choosing instead to transfer lead responsibility to other organizations. First, and probably foremost, were their expectations about the efficiencies of integrating JOBS with the states' other employment and training activities, an approach that improves coordination, facilitates mainstreaming, and potentially achieves the economies of scale that specialization permit. In addition, all states with integrated systems—Maryland, Pennsylvania, and Tennessee—had forged linkages under their WIN Demonstrations that set a precedent for JOBS.

But we observed another underlying factor operating as well: state and local governments appear reluctant to increase the staff of their welfare agencies. In both Michigan and upstate New York, JOBS funds were used to contract for services, but were not used to hire additional welfare agency staff, even though agency administrators viewed staff shortages as an impediment to implementing the program. In Tennessee, the welfare agency retained only a small share of JOBS funds and used none of these funds to pay for front-line staffing costs. We do not fully know whether the restrictions on hiring staff were limited to the welfare agency or were imposed more generally on other state and local agencies. Nonetheless, some combination of efforts to limit government employment in general, or the size of the welfare bureaucracy more specifically, encouraged welfare agencies to contract for services with other agencies.

At the same time, JOBS funds served as a source of support for these other agencies, some of which were facing cuts in funding from sources such as the JTPA or were experiencing declining enrollments of their traditional student populations. These agencies viewed the JOBS program as a new source of funding and were willing to tailor services to meet the needs of JOBS participants. We are not arguing that JOBS supplanted other funds or that these other agencies failed to maintain their efforts to serve welfare recipients, but rather that JOBS funds were welcomed to offset declines in their other sources of support.

We conclude that welfare agencies can develop the capacity to offer employment and training services as an integral part of the AFDC program, as intended by the framers of the Family Support Act. All the sites in Oklahoma appear to have made considerable progress in this direction, and welfare agencies in several other sites, particularly New York City and Oneida County in New York, appear to be building capacity as well. However, the fiscal constraints facing state and local governments in the early 1990s did not provide auspicious conditions for expanding the size of the welfare bureaucracy. An easier path was to draw upon the capacity existing in other agencies, spreading the benefits of JOBS to other constituencies.

A variety of other agencies are willing to provide education, training, and employment services for JOBS participants. As we discuss in the next sections, the infrastructure for expanding the JOBS program exists, and the supply of services from these other organizations is elastic if funds are available to purchase them. We are left with the question of whether it is better for the welfare agency to retain its lead responsibility for arranging these services in order to integrate them closely into the operation of the AFDC program, or whether the welfare agency should delegate much of its lead responsibility through contracts with other agencies in order to coordinate JOBS with their employment and training programs. At this stage of the field research, we see no compelling reasons to support one approach over another, as long as funds are available to purchase services and strong incentives are offered to serve welfare recipients and design programs that are responsive to their needs.

4. MANDATED AND OPTIONAL JOBS SERVICES

The pictures of JOBS drawn by the field associates at the time of this study reveal programs in flux, with sites still in the process of building the capacity needed to implement their program designs. Sites that had operated well-developed welfare employment programs prior to JOBS were managing the transition to a new set of federal mandates, while the others were taking their first steps toward creating programs that would meet these mandates. With differences in their initial starting positions, formal program designs, interagency linkages, and funding levels, we could expect sharp differences in the types of JOBS services available to participants. But the federal mandates to offer education to individuals who have not completed high school, as well as the selection of young parents without a high school education as one of the target groups, encouraged states to move in a similar direction toward education in building capacity to serve JOBS participants. The similarity in the needs of many JOBS participants, particularly their need for job readiness activities and education, also encouraged states to follow the same path in accessing services.

This section provides a detailed examination of how welfare agencies obtained a supply of each of the mandated and optional JOBS services and the mix of services that resulted from their efforts. It describes the financial arrangements for accessing services, particularly whether services were purchased with JOBS funds or were obtained from other organizations without payment. In addition, we describe the content of selected JOBS services, some of the combinations of services delivered as an integrated package, and some of the organizations that provided these services.

To assist the reader in understanding the efforts of the local sites to access a supply of services, we begin by describing the results of their efforts, presenting information on the services delivered in each site as measured by the number of participants in each of the JOBS components. We then summarize some of the major differences among the states in the mix of services funded by JOBS and in the services obtained from other agencies without payment. Finally, we discuss each of the mandatory and optional JOBS services in turn.

PARTICIPATION OF FAMILIES IN JOBS COMPONENTS AND OVERVIEW OF FUNDING CHOICES

To obtain information on the number of JOBS participants in each of the service components, we asked field associates to request specific data for each local site from state or local program administrators. These data included AFDC caseloads, the number of cases required to participate in JOBS, the number of participants in each JOBS component, and the overall participation rate in each of the 30 local sites. To help ensure comparability across the sites, we defined these data elements in the same terms as requests for state data made by the Department of Health and Human Services. HHS uses Form FSA-3637 to request data on AFDC cases and the number of cases required to participate in JOBS. During the period of the study, HHS used Form FSA-104 to request data on participation in JOBS components. HHS Form FSA-103 provides the instructions for calculating the participation rate that states must meet to satisfy the minimums specified by the Family Support Act.

One of the major challenges to the states in implementing JOBS is developing a management information system for tracking and monitoring program participation that can provide the information requested by HHS in Form FSA-104 and calculate the participation rate according to the instructions in Form FSA-103. Several state administrators expressed doubt regarding their state's ability to gather and process this information accurately, and the data collected by the field associates are only as accurate as those produced by the states' information systems. While we do not have complete confidence in the precision of the data, they are within the ranges that we expected based on the other information collected about the local programs. We are concerned that participation data at the local level will become less precise, or may not be available at all, now that states must report to HHS on only a sample of their caseload.

The field associates reported that the participation rate defined by HHS Form FSA-103 was, with few exceptions, not calculated for individual welfare districts or local offices. For this round of research, which focused on JOBS implementation at the local level, we did not ask field associates to request state-level data regarding participation in the program. The Department of Health and Human Services informed us that it notified all states except Mississippi that they met the 7 percent participation rate mandated by the Family Support Act for fiscal year 1991.

Table 6 presents the site-level information collected by the field associates regarding the total number of AFDC cases and the number of

Table 6. AFDC Cases and Participation of Families in the JOBS Program

State	Site	Month:	AFDC Cases[1]	Non-exempt Cases[1]	Month:	Total Participant Families (Unduplicated Count)[2]	Sum of Families in JOBS Components[2]
Maryland	Baltimore	6/91	38,803	20,140	3/91	2,214	2,261
	Anne Arundel	8/91	3,508	1,376	3/91	NA	179
	Dorchester	7/91	709	293	3/91	NA	120
Michigan	Wayne[3]	7/91	4,760	NA	7/91	NA	396
	Kalamazoo	7/91	4,595	NA	7/91	NA	752
	Tuscola	7/91	1,125	NA	7/91	NA	178
Mississippi	Hinds	6/91	6,529	3,321	6/91	523	735
	Harrison	6/91	2,852	1,380	6/91	455	740
	Quitman	6/91	548	243	6/91	192	196
New York	NYC	8/91	242,851	109,788	8/91	7,260	8,171
	Oneida	8/91	3,406	1,910	8/91	674	742
	Franklin	8/91	656	396	8/91	66	74
Oklahoma	Tulsa	6/91	3,360	2,430	FY91	NA	1,270[4]
	Carter	6/91	776	534	FY91	NA	542[4]
	LeFlore	6/91	801	532	FY91	NA	559[4]
Oregon	Springfield	6/91	1,755	904	6/91	302	350
	Medford	6/91	2,009	831	6/91	314	347
	Lagrande	6/91	349	175	6/91	65	74
Pennsylvania[5]	Philadelphia	6/91	72,070	NA	4/91	NA	5,023
	Blair	6/91	2,268	NA	4/91	NA	184
	Clinton	6/91	592	NA	4/91	25	47
Tennessee	Davidson	6/91	10,180	NA	6/91	140	159
	Sullivan	6/91	1,415	NA	6/91	37	48
	Gibson	6/91	741	NA	6/91	14	20
Texas	Harris	6/91	46,116	20,723	6/91	2,597	3,669
	Nueces	6/91	5,490	2,852	6/91	350	558
	Bee	6/91	580	329	6/91	65	90

[1] Field associates were instructed to obtain information provided by the states to the Department of Health and Human services on Form FSA-3637.

[2] Field associates were instructed to obtain information provided by the states to the Department of Health and Human services on Form FSA-104.

[3] Data are for Wayne County office number 15, Greydale/Grand River.

[4] Does not include assessment and employability plan development.

[5] Participation data are for the Single Point of Contact Program only.

NA=Data not available.

AFDC cases who are nonexempt and thus required to participate in JOBS. The table also includes both the unduplicated count of families participating in JOBS, if this information was reported, and the sum of families in the individual JOBS components. This sum was calculated from the information in table 7, which presents the number of participant families in each JOBS component. Table 8 shows the percentage distribution of families among the JOBS components, using the unduplicated count of participant families as the base in calculating the percentage distribution if this count was reported. Although the information in these tables is insufficient for calculating participation rates, it does shed light on the mix of services in each site.

Overview of Funding Choices. The states' choices regarding the mix of services financed with JOBS funds vary considerably, a result in part of differences in their overall levels of funding for the program. Most states used JOBS funds to finance job readiness activities and adult education, either adult basic education, GED preparation, or both. Many states also financed job search, generally provided in a group setting, but sometimes offered individually. A smaller number of states used JOBS funds to support job skills training and work experience, and still fewer supported on-the-job training and work supplementation.

The major differences in the mix of services financed with JOBS funds are between states where JOBS was integrated into the state's employment and training system and states where the welfare agency took the lead in operating the program. Differences between states with high and low funding levels for the program are also significant. States with integrated systems that were funded at high levels—Maryland and Pennsylvania—used JOBS funds to support job skills training, generally mainstreaming participants into their regular JTPA programs. In Tennessee, where JOBS was integrated into the JTPA, but funded at a low level, JOBS funds were not used to support skills training, although Davidson County (Nashville) used the resources of the JTPA to provide job skills training to welfare recipients. These three states devoted few or no resources to group job search or to work experience, a service not traditionally offered by the JTPA.

In states where the welfare agency took the lead—New York, Michigan, and Oklahoma—most of the local welfare agencies continued to fund the services they offered under the prior WIN Demonstration program: the majority of sites in these states offered job search and work experience, and Oklahoma gave particular emphasis to these services. Some of the sites in New York and Michigan also used JOBS funds to support job skills training, while Oklahoma relied on the resources of other programs for this service. Two of the contracting states—Oregon

Table 7. Participation of Families in JOBS Components[1]

State	Site	Total Participant Families (Unduplicated Count)	Assessment	Job Readiness Activities	Education[2]	Post-Secondary Education	Job Skills Training
Maryland	Baltimore	2,214	387	287	706	136	288
	Anne Arundel	NA	73	26	35	1	43
	Dorchester	NA	25	NA	31	15	10
Michigan	Wayne[3]	NA	7	0	64	NPC	178
	Kalamazoo	NA	112	2	182	NPC	132
	Tuscola	NA	21	7	26	NPC	3
Mississippi	Hinds	523	461	21	122	20	52
	Harrison	455	490	11	93	37	54
	Quitman	192	131	0	49	1	6
New York	New York City	7,260	1,360	110	1,044	0	93
	Oneida	674	107	38	191	25	45
	Franklin	66	6	2	20	7	1
Oklahoma	Tulsa	NA	NA	94	803	38	120
	Carter	NA	NA	37	203	48	52
	LeFlore	NA	NA	61	224	53	16
Oregon	Springfield	302	42	134	88	NPC	34
	Medford	314	44	24	94	NPC	91
	Lagrande	65	2	3	18	NPC	23
Pennsylvania[4]	Philadelphia	NA	2,978	251	627	35	982
	Blair	NA	63	NA	35[5]	NA	86[6]
	Clinton	25	25	NA	3[5]	NA	19[6]
Tennessee	Davidson	140	4	19	45	0	80
	Sullivan	37	9	12	8	15	0
	Gibson	14	6	0	0	10	0
Texas	Harris	2,597	1,339	62	1,104	0	208
	Nueces	350	198	23	220	0	9
	Bee	65	29	9	40	0	2

[1] Field Associates were instructed to obtain information provided by the states to the Department of Health and Human Services on Form FSA-104. Data are for the month indicated in Table 6.
[2] Includes high school, adult basic education, English as a second language, and GED preparation.
[3] Data are for Wayne County Office 15, Greydale/Grand River.
[4] Data are for the Single Point of Contact Program only.
[5] Includes post-secondary education.
[6] Includes job readiness activities, on-the-job training, CWEP, and other work experience.

NA=Data not available; NPC=Not a program component; 0=No participants in component.

Table 7 is continued on the next page.

Table 7. (continued)

State	Site	Self-Initiated Education and Training	Job Search	OJT	Work Supplementation	CWEP	Other
Maryland	Baltimore	315	52	16	NPC	NPC	74
	Anne Arundel	1	0	0	NPC	NPC	0
	Dorchester	5	12	1	NPC	NPC	21
Michigan	Wayne[3]	110	30	0	0	5	2
	Kalamazoo	214	86	1	0	4	19
	Tuscola	90	7	0	0	24	NA
Mississippi	Hinds	22	37	0	NPC	NPC	0
	Harrison	25	25	0	NPC	NPC	5
	Quitman	0	7	0	NPC	NPC	2
New York	New York City	4,777	582	0	0	205	0
	Oneida	150	133	2	19	32	0
	Franklin	2	0	1	1	34	0
Oklahoma	Tulsa	38	112	4	1	NPC	60
	Carter	48	59	0	0	NPC	95
	LeFlore	53	76	0	1	NPC	75
Oregon	Springfield	15	101	0	0	NPC	25
	Medford	10	65	2	3	NPC	14
	Lagrande	17	9	0	0	NPC	2
Pennsylvania[4]	Philadelphia	NA	44	7	NPC	94	5
	Blair	NA	0	NA	NPC	NA	NA
	Clinton	NA	0	NA	NPC	NA	NA
Tennessee	Davidson	11	0	0	NPC	NPC	0
	Sullivan	1	3	0	NPC	NPC	0
	Gibson	4	0	0	NPC	NPC	0
Texas	Harris	268	327	7	NPC	NPC	354
	Nueces	19	39	4	NPC	NPC	46
	Bee	0	9	0	NPC	NPC	1

Table 8. Percentage Distribution of Participant Families by JOBS Component[1]

State	Site	Assessment	Job Readiness Activities	Education	Post-Secondary Education	Job Skills Training
Maryland	Baltimore	18	13	32	6	13
	AnneArundel[2]	41	15	20	1	24
	Dorchester[2]	21	NA	26	13	8
Michigan	Wayne[2,3]	2	0	16	NPC	45
	Kalamazoo[2]	15	0	24	NPC	18
	Tuscola[2]	12	4	15	NPC	2
Mississippi	Hinds	88	4	23	4	10
	Harrison	100	2	20	8	12
	Quitman	68	0	26	1	3
NewYork	NewYorkCity	19	2	14	0	1
	Oneida	16	6	28	4	7
	Franklin	9	3	30	11	2
Oklahoma	Tulsa[2]	NA	7	63	3	9
	Carter[2]	NA	7	38	9	10
	LeFlore[2]	NA	11	40	10	3
Oregon	Springfield	14	44	29	NPC	11
	Medford	14	8	30	NPC	29
	Lagrande	3	5	28	NPC	35
Pennsylvania[4]	Philadelphia[2]	59	5	13	2	20
	Blair[2]	34	NA	19[5]	NA	47[6]
	Clinton	100	NA	12[5]	NA	76[6]
Tennessee	Davidson	3	14	32	0	57
	Sullivan	24	32	22	41	0
	Gibson	43	0	0	71	0
Texas	Harris	52	2	43	0	8
	Nueces	57	7	63	0	3
	Bee	45	14	62	0	3

[1] Families in each component as a percentage of the unduplicated count of participant families, shown in Table 6.
[2] Families in each component as a percentage of the sum of families in JOBS components, shown in Table 6.
[3] Data are for Wayne County Office 15, Greydale/GrandRiver.
[4] Data are for the Single Point of Contact Program only.
[5] Includes post-secondary education.
[6] Includes job readiness activities, on-the-job training, CWEP, and other work experience.

NA=Data not available; NPC=Not a program component.

Table 8 is continued on the next page.

Table 8. (continued)

State	Site	Self-Initiated Education and Training	Job Search	OJT	Work Supplementation	CWEP	Other
Maryland	Baltimore	14	2	1	NPC	NPC	6
	Anne Arundel[2]	1	0	0	NPC	NPC	0
	Dorchester[2]	4	10	1	NPC	NPC	18
Michigan	Wayne[2,3]	28	8	0	0	1	1
	Kalamazoo[2]	28	11	0	0	1	3
	Tuscola[2]	51	4	0	0	14	NA
Mississippi	Hinds	4	7	0	NPC	NPC	0
	Harrison	6	6	0	NPC	NPC	1
	Quitman	0	4	0	NPC	NPC	1
New York	New York City	66	8	0	0	3	0
	Oneida	22	20	0	3	5	0
	Franklin	3	0	2	2	52	0
Oklahoma	Tulsa[2]	3	9	0	0	NPC	5
	Carter[2]	9	11	0	0	NPC	18
	LeFlore[2]	10	14	0	0	NPC	13
Oregon	Springfield	5	33	0	0	NPC	8
	Medford	3	21	16	1	NPC	5
	Lagrande	26	14	0	0	NPC	3
Pennsylvania[4]	Philadelphia[2]	NA	1	0	NPC	2	0
	Blair[2]	NA	0	NA	NPC	NA	NA
	Clinton	NA	0	NA	NPC	NA	NA
Tennessee	Davidson	8	0	0	NPC	NPC	0
	Sullivan	3	8	0	NPC	NPC	0
	Gibson	29	0	0	NPC	NPC	0
Texas	Harris	10	13	0	NPC	NPC	14
	Nueces	5	11	1	NPC	NPC	13
	Bee	0	14	0	NPC	NPC	2

and Texas—devoted a considerable share of their JOBS funds to job readiness activities and job search, while Mississippi, where spending was very low, financed only limited GED training through JOBS.

Because resources from other programs supplemented the services purchased with JOBS funds to a greater or lesser degree in all of the states, the mix of services actually received by participants differed from the mix purchased with JOBS funds. JOBS participants were attending public high schools, vocational schools, and both two- and four-year colleges, drawing upon the resources of local school districts, state college systems, and federally supported Pell grants and student loans. JOBS participants were also enrolled in the regular skills training programs of the JTPA, which must serve welfare recipients at least in proportion to their representation in the disadvantaged population. In addition, some JOBS participants were receiving assistance from state employment security agencies, although it is difficult to assess the role of these agencies in JOBS. These subsidies from other programs made a wider range of services available to welfare recipients than those financed by JOBS, and the overall mix of services received by participants was more uniform among the states than the mix of services purchased with JOBS funds.

In states with little prior experience in operating welfare employment programs—Mississippi, Tennessee, and Texas—a high proportion of participants were reported to be in the assessment process, as might be expected in a new program. In Mississippi, assessment was almost the only new activity resulting from JOBS at the time of the study. Mississippi appropriated small amounts of funds for JOBS and used a large share of these funds to support case managers in the community action agencies (CAAs). All nonexempt AFDC recipients were referred to the CAAs for assessment, but with few resources to purchase JOBS services, many participants were placed on waiting lists following their assessment.

JOB READINESS ACTIVITIES

The Family Support Act requires that each state offer job readiness activities as a component of its JOBS program. Federal regulations define job readiness training as "activities that help prepare participants for work by assuring that participants are familiar with general workplace expectations and exhibit work behavior and attitudes necessary to compete successfully in the labor market" (45 CFR 250.44(c)). Because neither WIN nor the WIN Demonstration program mandated job readiness training, JOBS implementation called for some states to create a new component in their welfare employment programs.

Local sites in over half of the states identified the development of new or expanded job readiness activities as one of the major accomplishments of their efforts to implement the JOBS program. In Oregon, Oklahoma, and Texas (Service Level I), the state welfare agency strongly encouraged local agencies to emphasize job readiness activities. Although the other states gave their local sites more discretion regarding the emphasis on these services, many sites recognized their clients' need for job readiness activities and made arrangements to include these activities in their programs.

What types of services were the sites offering under the rubric of job readiness activities? The most common content areas reported by the field associates are listed in table 9. Although there is considerable variation among the sites, almost all states offered training in basic life skills such as self-esteem, stress management, goal setting, and problem solving. Many states also provided training in areas that are more directly preparatory for employment, such as motivation, career planning, and personal appearance, while a smaller number of states used job readiness programs as an opportunity to engage recipients in an extended assessment of their interests and needs. Services that are directly linked to employment, including job search and interviewing skills, were incorporated into the job readiness activities of some sites. A few sites considered literacy and basic education as skills needed to become ready for employment. In rural New York, where public transportation is unavailable, the ability to drive an automobile was considered necessary for employment, and drivers' education was offered as a job readiness activity.

Providers and Funding of Job Readiness Activities

Of all the JOBS services, job readiness training was the service most likely to be provided in-house by the lead agency responsible for operating JOBS. Job readiness activities were provided in-house by the staff of the welfare agency or the other lead agency in New York, Oklahoma, Oregon, Tennessee's mid-sized site, Texas (Service Level I), and, although services were limited, Mississippi. In the other states, job readiness activities were generally obtained from other agencies under contract, in some cases in combination with other services. Job readiness programs provided under contract were generally created exclusively for JOBS participants, although in a few rural sites participants were mainstreamed into programs designed for a broader population.

Most states used JOBS funds to support job readiness activities, either to fund staff within the lead agency or to purchase services from other organizations. The most important provider of job readiness activities

Table 9. Content of Job Readiness Activities

State	Site	Most Common Content Areas		
Maryland	Baltimore	Interviewing Skills	Job Search	Life Skills
	Anne Arundel	Interviewing Skills	Job Search	Life Skills
	Dorchester	Interviewing Skills	Job Search	Life Skills
Michigan	Wayne	Literacy	Life Skills	Motivation
	Kalamazoo	Resume Preparation	Job Search	Life Skills
	Tuscola	Motivation	Decision Making	Personal Appearance
Mississippi	Hinds	Personal Appearance	Attitudes	Job Search
	Harrison	(Varies with case manager)		
	Quitman	(No formal activities)		
New York	New York City	Career Planning	Assessment	Self Esteem
	Oneida	Employment Readiness	Life Skills	Job Search/Club
	Franklin	Drivers' Education	Life Skills	Career Counseling
Oklahoma	Tulsa	Values	Interviewing Skills	Personal Appearance
	Carter	Motivation	Interviewing Skills	Personal Appearance
	LeFlore	Self Esteem	Interviewing Skills	Personal Appearance
Oregon	Springfield	Life Skills	Vocational Assessment	Employer Contacts
	Medford	Self Esteem	Vocational Assessment	Goal Setting
	Lagrande	Self Esteem	Problem Resolution	Life Planning
Pennsylvania*	Philadelphia	Life Skills	Motivation	Career Planning/Counseling
	Blair	Life Skills	Self Esteem	Motivation
	Clinton	Life Skills	Self Esteem	Motivation
Tennessee	Davidson	Remedial Education	Life Skills	Workplace Orientation
	Sullivan	Life Skills	Motivation	Personal Appearance
	Gibson	(No formal activities)		
Texas	Harris	Life Skills	Motivation	Goal Setting
	Nueces	Stress Management	Goal Setting	Motivation
	Bee	Motivation	Vocational Counseling	Career Exploration

* Single Point of Contact Program only.

was funded by JOBS in virtually every site, and job readiness activities were more likely to be supported with JOBS funds than any other JOBS service.

Job Readiness Activities as an Initial Service

Several states, and individual sites within other states, emphasized job readiness activities as an initial service for individuals with low levels of

education and little work experience. In Pennsylvania, according to the field associate's report, "local programs at all three sites appear to have done particularly well in the area of job readiness, life skills and remedial education programs, combining a set of 'introductory' activities into a single, coordinated package aimed at the most needy portion of the client pool." Philadelphia, for example, designed "feeder programs" offering this package of services for participants who read below the 7th grade level, with the goal of preparing them for the more advanced education and training programs provided by the SPOC program.

Several other large urban areas also developed job readiness programs as an initial service for individuals with low levels of education and work experience. New York City operated a Career Planning program in its BEGIN offices for all clients without work experience or a job goal. Career Planning, scheduled for 20 hours a week for four weeks, combined life skills training with a group-based vocational assessment to help participants choose a JOBS activity. In the urban sites of Tennessee, many participants were initially placed in four- to five-week programs of assessment, counseling, and job readiness activities including life skills training. At the time of the study, Baltimore was not offering job readiness activities as an initial service for individuals who lacked preparation for other JOBS services, but it had identified the need for such a program and was developing one.

Some mid-sized cities developed job readiness programs as an initial JOBS service, but in general the mid-sized cities and rural areas were less likely to create these types of programs exclusively for JOBS participants. Instead, individuals were referred to the program of another agency, or job readiness activities were combined with other JOBS services. For example, most JOBS participants in rural Pennsylvania were initially referred to an educational agency that offered a package of assessment, remedial and basic education, and job readiness training. An exception to this generalization is Tuscola County, the rural site in Michigan, which contracted with the public schools for a life skills program exclusively for JOBS participants.

The decision of some administrators in Pennsylvania, Tennessee, and Maryland to develop job readiness programs as an initial service is particularly noteworthy. JOBS in these states is operated by the JTPA, whose regular programs focus on job skills training and employment services. These administrators recognized that JOBS participants are less prepared for employment than other JTPA clients and that they need job readiness activities, as well as remedial and basic education, before being able to participate in the regular JTPA programs. The development of these initial services represents one of the major responses of the JTPA

to the needs of JOBS participants; other adjustments made by the JTPA to serve JOBS participants in these states are discussed in more detail later in this paper.

Job Readiness Activities Combined with Other Services

Both Oklahoma and Texas targeted job readiness activities primarily on individuals who were entering the labor market, generally combining these activities with job search. Throughout Oklahoma, the welfare agency staff offered a job readiness workshop in a format developed in detail at the state level. The workshop was designed for people who were initially job ready or had completed an education or training component, and it was offered along with work experience and job search. In all three Texas sites, job readiness activities were one of the services offered by the Service Level I contractors, whose contracts specified that job readiness activities are to be offered to virtually all participants. As in Oklahoma, these activities were generally integrated with group job search activities.

More than any other state, Oregon emphasized the provision of life skills and job readiness activities as a central feature of its JOBS program. The state's JOBS planners intended that job readiness activities be restricted to neither the initial nor the final stages of the program, but be made available throughout an individual's participation in JOBS. Springfield attempted to integrate these services into all other program components, including adult education, vocational training, and job search. As a result, the field associate reported that at least 95 percent of JOBS participants received job readiness services. The lead agency in the mid-sized city operated an initial life skills/job readiness program and also provided these services concurrently with other program components, so that virtually all clients received these services. The rural site, serving a small number of clients, did not develop job readiness activities exclusively for JOBS participants; rather, it mainstreamed them into the program of the JTPA.

Participation in Job Readiness Activities

Looking across the sites, it is clear that job readiness activities were offered to individuals in a wide range of circumstances and that lead agencies devoted considerable effort and funds to provide these services in-house or purchase them from other providers. All or some of the sites in Michigan, New York, Oklahoma, Oregon, Pennsylvania, Tennessee, and Texas made job readiness activities an important component of their JOBS program. Economies of scale permitted urban sites to tailor programs exclusively for JOBS participants, while most rural sites com-

bined job readiness activities with other JOBS components or mainstreamed participants into the programs of other organizations.

Maryland was less systematic in its emphasis on job readiness activities, with Baltimore recognizing the need for this service only after some experience in operating its JOBS program. Mississippi relied on the case managers in the community action agencies to provide job readiness activities, but the large number of recipients referred to the CAAs compelled the case managers to devote most of their effort to assessing recipients and developing employment plans, leaving them with little time for job readiness activities. Michigan's pre-JOBS welfare employment program included all JOBS services except job readiness activities, so that the introduction of this component was an important change. But the state did not devote large amounts of funds to job readiness activities and, with the exception of rural Tuscola County, the sites did not appear to emphasize this service; instead, they provided it in combination with group job search or other activities.

Job readiness activities may be a more important component of the JOBS program than the participation data in tables 7 and 8 suggest. Because many sites offered these activities during the course of their JOBS program, as either an initial, on-going, or final service, it is likely that significant proportions of JOBS clients participated in these activities. But because job readiness activities were frequently combined with job search or with education and training programs rather than delivered as stand-alone services, the number of participants receiving these services may be underreported.

Federal regulations permit states to combine JOBS services into a single activity provided that the state welfare agency can adequately distinguish the principal components for the purpose of federal reporting requirements. The relatively small number of participants reported to be in job readiness activities in Oklahoma, Oregon, and Texas, despite considerable efforts by agencies in these sites to arrange these activities, leads us to question whether the sites were identifying all individuals who were receiving these services.

EDUCATION

A major new feature of the Family Support Act is the emphasis given to education, both for teenagers and adults. Neither WIN nor the WIN Demonstration program contained mandates that encouraged individuals to enroll in educational programs or authorized federal funding for educational services. The Family Support Act, in sharp contrast, seeks to ensure that JOBS will address the educational needs of welfare recipients.

The Act requires states to offer individuals any educational activity below the postsecondary level that is appropriate to a participant's employment goal, including high school education, preparation for a high school equivalency certificate (a GED degree), basic and remedial education (also referred to as Adult Basic Education or ABE), and instruction in English as a second language (ESL). The Act permits, but does not require, states to offer post-secondary education. All states except Michigan and Oregon opted to offer post-secondary education as a JOBS service, relying on Pell grants, guaranteed student loans, and state tuition assistance programs to finance the cost of tuition.

According to federal regulations, individuals who are attending an institution of higher education when they would otherwise begin participating in JOBS may be allowed to continue in school rather than enroll in another type of activity. In this situation, the individual is considered to be participating in a self-initiated activity. The cost of self-initiated education and training cannot be financed through JOBS, although the cost of child care and other supportive services can be paid with JOBS funds. Although Michigan and Oregon did not offer post-secondary education as a JOBS service, they permitted individuals to attend institutions of higher education as a self-initiated activity.

Teenage parents are singled out for special treatment under the Act. Custodial parents under age 20 who have not completed high school or its equivalent are required to participate in an educational activity, even if they would otherwise be exempt from participation because their child is under the age of three years or, at state option, one year. A participant who is 20 or over and who has not completed high school must be offered education unless she demonstrates basic literacy or her long-term employment goal does not require a high school degree. In addition, custodial parents under age 24 who have not completed high school and are not currently enrolled in high school or its equivalent are one of the JOBS target groups.

In arranging educational services for JOBS participants, the vast majority of local sites placed primary emphasis on increasing the availability of remedial and basic education and GED preparation. The emphasis on these services was a response to the low educational attainment of many welfare recipients and the inadequate supply of these programs in some communities, particularly programs that met for 20 hours per week. Local sites placed less emphasis on arranging for other types of education, such as ESL instruction and post-secondary education. Less than half the states made special arrangements for educating teenage custodial parents.

Although ABE and GED preparation were the most common educational services arranged for JOBS participants and financed with JOBS funds, large numbers of JOBS participants attended remedial education programs that were not financed by JOBS, or they enrolled in regular public high schools and colleges. Some participants entered these programs through JOBS, while others enrolled in them on their own initiative and came to JOBS for child care and other supportive services or were ready to enroll and were referred to JOBS for supportive services before they began their program. It is impossible to identify the number of participants in each type of educational activity, but clearly individuals participated in a variety of educational programs at all but a very few sites. Some of these were financed with JOBS funds, but JOBS was also relying on a supply of services from other programs to achieve its goals.

The following sections expand on this summary. They describe efforts of states and local sites to arrange adult education programs and programs for custodial teenage parents. They also assess the role of other educational programs in providing a supply of educational services for JOBS participants, including the role of institutions of higher education.

Adult Education

JOBS implementation encouraged all states to increase the supply of adult education services, defined to include remedial and basic education, GED preparation, and instruction in English as a second language. In implementing JOBS at the state level, three states—Mississippi, Oklahoma, and Texas—contracted directly for adult education programs in an effort to guarantee a supply of slots for JOBS participants. The other states either encouraged their local sites to offer adult education or, more frequently, gave the sites discretion to decide how much of their JOBS funds would be allocated to this service.

Direct State Procurement of Adult Education. In implementing JOBS, the state welfare agency in Mississippi allocated approximately $260,000 to adult education, contracting with the state education agency for a small number of teachers to provide GED preparation to JOBS participants. Oklahoma negotiated contracts with 40 learning centers throughout the state to provide classes exclusively for public assistance recipients when the demand for these educational services exceeded the learning centers' capacity to supply them through their regular offerings. In addition, the welfare agencies in Oklahoma and Mississippi entered into non-financial agreements with their state educational agencies to serve JOBS participants: the education agencies agreed to serve JOBS participants on a non-reimbursable basis, although service levels were not specified. The Texas legislature appropriated $1 million to the Texas

Education Agency for each year of the fiscal year 1990-1991 biennium budget to expand education services for AFDC recipients, which together with federal matching funds permitted increased expenditures of $2.7 million annually.

These state-level arrangements resulted in a modest increase in the supply of adult basic education slots for JOBS participants in these states. In Mississippi, one or two GED programs were funded in each site. Oklahoma supported more classes: 6 in one site, 5 in another site, and one program in the rural site. For the most part, the sites in these states used these resources to support adult education programs tailored exclusively for JOBS participants. In both Mississippi and Texas, efforts were made to schedule programs for 20 hours a week, although it is unclear whether this was always achieved in Texas. Some of the sites in Mississippi and Texas chose to locate remedial education programs at the welfare office. Co-location was particularly necessary in the rural site in Mississippi because the community college delivering the GED program was located at some distance away in an adjacent county.

Because the states' expenditures on adult education were small relative to the number of individuals needing these services, the local sites referred many individuals to education programs available at no cost to JOBS. In addition, individuals attending these programs entered JOBS as self-initiated participants or as reverse referrals. As a result, public schools and community colleges were the most important providers of adult education in most of the sites, serving JOBS participants in large part with the communities' resources.

The local welfare offices in Michigan also relied on the state to fund adult education, although under a very different type of arrangement. The Michigan Department of Education provides financial aid to local school districts to serve any district resident who has not attained a high school education. State aid supports a variety of services, including adult basic education, high school completion classes, GED preparation, and ESL instruction. Because these state education funds were available, there was little need for the state welfare agency or the local welfare offices to allocate JOBS funds to purchase adult education services.

Local Procurement of Adult Education. The other five states delegated the task of contracting for adult education services to the local agency with lead responsibility for arranging JOBS services. JOBS funds were allocated to the local agency, which entered into formal interagency agreements and contracts with various types of local organizations. The state-level education agencies played a greater role in some of these states than in others. In some, such as Oregon, the state education agency was

consulted in the JOBS planning process, but had not yet assumed a formal role in the program. In others, most notably Pennsylvania and New York, the state welfare agency had developed JOBS initiatives jointly with their state education agency. The most formal and well developed of these joint initiatives was SPOC in Pennsylvania and several welfare education programs in New York. But even in these states, responsibility for developing interagency agreements and contracts was decentralized to the local level.

Except for job readiness activities, adult education was the most common service purchased for JOBS participants in the local sites of these five states. In order to increase the supply of services available for JOBS participants, many sites chose to devote a large share of their limited funds to adult education. Providers of adult education, in response, were willing and able to expand their operations to provide these services.

In many of the urban and mid-sized sites in these five states, adult education programs were created exclusively for JOBS participants. In other sites, particularly those in rural areas where the scale of the program was small, JOBS participants were mainstreamed into programs that already existed in the community. Programs tailor-made for JOBS participants were typically supported by JOBS funds, although some sites, such as New York City, operated programs exclusively for JOBS programs using the funds of other adult literacy and basic education programs. Where participants were mainstreamed into the programs of other agencies, JOBS funds were typically not used to reimburse these agencies, although Pennsylvania paid tuition on a case-by-case basis under some circumstances.

An important impetus to creating tailor-made programs was the federal regulation defining participation in JOBS in terms of a 20-hour per week standard. In order to meet the federally mandated participation rate, most or many sites contracting for adult education created programs that met for 20 hours or more per week. In these sites, the 20-hour rule is achieving its purpose of encouraging the development of more intensive services than were provided under the WIN program.

Providers of Adult Education Services. Many types of organizations offered adult basic education to JOBS participants: public school systems, vocational/technical schools, community colleges, four-year colleges and universities, special education districts, JTPA agencies, and community-based organizations. The broad range of organizations that responded to the new funding provided by JOBS and the willingness of

most of them to design programs that operate for 20 hours per week is an encouraging finding of the field research.

Baltimore, Maryland. Education for adult participants was generally provided through remediation centers operated by community-based organizations under contract to the JTPA Service Delivery Areas. Although the public schools offered ABE and GED programs, they were not given primary responsibility for serving adult participants, at least in part because their programs did not meet for 20 hours a week. Instead, the SDA chose to contract with 15 remedial education centers, most of which were established in response to JOBS and funded completely or in part by JOBS funds. Their programs were generally scheduled for 20 hours a week, although some were scheduled for only 15 hours. These centers were the major providers of educational services for adult participants, and the increased focus on remedial education was one of the most important programmatic changes resulting from JOBS implementation.

New York City, New York. In implementing JOBS, the city designed two innovative adult education programs that combined education with work experience. A work/study program integrated adult basic education or GED preparation with work experience, while a language program offered instruction in English as a second language together with work experience. Both programs operated for 20 hours a week, typically requiring two days of classroom instruction and three days of work. One purpose of combining these activities was to contextualize learning in relation to work, to use examples from work in the classroom and to reinforce class lessons at the work site. Teachers were encouraged to visit the work sites so that they could increase the relevance of classroom learning to the work of participants, and a liaison from the language program suggested ways for supervisors at the work site to give participants practice in using English.

The work/study program was contracted out to community-based organizations, while the ESL program was operated through a cooperative agreement with the City University of New York. The city's share of the cost of these activities was not financed by the welfare agency's budget, which was very constrained, but by funds that were earmarked for adult education. The number of slots in these two programs was small relative to the number of people who needed them, and many JOBS participants in adult education programs, probably the majority, were served by other programs in the city that have no links to the welfare agency.

Springfield, Oregon. The Southern Willamette Private Industry Council (PIC) was the lead agency for JOBS in the district and was responsible for arranging all education, training, and employment services. To implement the program, the PIC opened the Emerald Job Center, described by the field associate as "the heart of JOBS." All adult education programs were provided at the Emerald Job Center, including both ABE and GED preparation. Life skills training, which was intended to be a component of most JOBS services, was also offered at the Center. The educational programs were delivered at the Center by staff from the county community college, a subcontractor to the PIC. In part in response to the 20-hour rule, the college restructured its ABE/GED classes to provide more time in class and to include life skills training.

Blair County, Pennsylvania. Remedial and basic education and GED preparation were generally provided by a type of organization that is not unusual in Pennsylvania, but is unlike any organization in the other eight states. The Community Education Center is formally tied to the school district, but receives almost no funding from the district and is supported primarily by project funding from state and federal agencies for adult education. No education programs were created solely for JOBS participants; instead,

they were mainstreamed into existing programs of the Center on a case-by-case basis, with funding accompanying the individual client.

Harris County, Texas. The Texas Education Agency funded its JOBS services through a decentralized network of Adult Education Cooperatives (Coops), each with control over local service delivery. Houston Community College is the Coop in Harris County, while public school systems operate the Coops in the other two sites. Houston Community College, one of the nation's largest community colleges and also the largest Adult Education Coop in Texas, provided adult remedial education and GED training using JOBS funds and some funds from the JTPA 8 percent set-aside for education. High school courses and two-year college programs funded by the JTPA, the Perkins Vocational and Applied Technology Education Act, Pell grants, and students loans were also offered by the College and were available to JOBS participants.

The response of this broad range of organizations to the new JOBS funding for education indicates that expanding the supply of services is feasible if funds are available to finance them. The field research offers numerous example of organizations that were eager to develop programs that would be financed through JOBS. The responsiveness of organizations to additional funding is particularly noteworthy in Tennessee, a state that had few welfare employment activities in place prior to JOBS:

> Other than some frustrations with delays in executing contracts and some other administrative details, education authorities [in Davidson County] expressed general enthusiasm about the JOBS program. It has provided a source of students for the school district's adult learning center, with funding to pay for services to those students. Likewise, the influx of JOBS participants into classes at the Nashville Area Vocational-Technical Institute has helped increase enrollment and bring in additional Pell grant funds and JTPA money.... The YWCA has launched a program of self-awareness/job readiness training, coupled with remedial education. The Urban League has increased its counseling resources and has added GED classes to the programs offered at its training center in Nashville. These changes were initiated specifically to enable the center to provide better services to JOBS participants.

Community colleges warrant special mention for their role in implementing JOBS in many states: they were the most important provider of adult basic and remedial education in about one-quarter of the sites. In addition, community colleges are located in almost all of the other sites, including some of the most remote areas, giving JOBS participants wide access to post-secondary education.

Adult Education Provided by Other Programs. In addition to the programs that were supported by JOBS funds, adult education programs designed for the general population were a source of services for JOBS participants. Adult education is supported by several federal programs, including the Adult Education Act, the Perkins Vocational and Applied Technology Education Act, the Vocational Rehabilitation Act, and the JTPA. The Family Support Act recognizes the capacity created by these federal programs, as well as by state education programs, and requires

that the welfare agency consult with the state education agency to promote coordination in the delivery of services. In addition, the Act specifies that JOBS funds cannot be used to pay for services that are available to JOBS participants by virtue of their residence in the community or to substitute for other state and local spending.

To illustrate the magnitude of the other adult education programs in the study states, table 10 presents the expenditures under the Adult Education Act in 1989, the latest year for which information was available. Federal expenditures under the Act are a flat amount based on the number of adults in the state lacking a high school diploma, but total state expenditures vary greatly; states were required to finance at least 10 percent of total expenditures in 1989, but many elected to spend more than this minimum amount. Mississippi, Oklahoma, Pennsylvania, and Tennessee chose to spend the minimum amount or slightly more, as shown in table 10. But the remaining states elected to spend considerably more than required, especially Michigan, New York, and Oregon. Michigan's expenditures stand out from the others, accounting for 16 percent of the nation's total expenditures under the Act in 1989.

JOBS participants are clearly benefiting from the Adult Education Act and other federal and state programs that support adult education. According to field associates, the most important providers of remedial and basic education were funded by JOBS in Maryland, Oregon, and in two of the three sites in Pennsylvania and Texas. But in the other sites, the most important provider of these services was funded by a source other than JOBS. The most important providers of English as a second language were also funded from sources other than JOBS, according to the field associates.

At the federal level, the Department of Health and Human Services (HHS) and the Department of Education (DOE) have both established policies that are encouraging state education agencies to devote funds to the JOBS program. During 1990, states requested that they be permitted to use the funds of their education agencies that were being devoted to JOBS as part of the state match for federal JOBS funds. This request was granted by HHS at the end of 1990 (JOBS-FSA-AT-90-16). During the same period, the DOE notified states that they could use their Adult Education Act expenditures in excess of the minimum match as part of their match for federal JOBS funds (Seamon, 1990). Recent amendments to the Adult Education Act have increased the minimum state match from 10 percent to 25 percent but, as shown in table 10, spending in five states exceeded this share by a substantial amount, leaving them with excess funds to devote to matching federal JOBS funds. These policies were beginning to have an impact on total funding for JOBS during the study

Table 10. Expenditures and Enrollments under the Adult Education Act, Fiscal Year 1989

State	Federal Share of Expenditures	State/Local Share of Expenditures	Total Enrollment
Maryland	$2,078,064	$3,378,732	36,589
Michigan	3,833,586	106,508,413	72,953
Mississippi	1,617,529	179,725	18,218
New York	8,089,300	22,475,000	142,315
Oklahoma	1,592,691	315,708	20,718
Oregon	1,047,254	6,264,242	34,051
Pennsylvania	5,659,279	960,190	45,072
Tennessee	2,719,345	460,853	35,519
Texas	6,965,788	7,564,457	213,974
Total U.S.	$113,766,714	$566,656,213	3,254,102

Source: U.S. Department of Education, Division of Adult Education and Literacy.

period by permitting some states to draw down a greater share of their federal allocation of JOBS funds.

Post-Secondary Education

The Family Support Act does not require that states offer post-secondary education in their JOBS programs, but all nine states elected to permit individuals to pursue higher education to some extent. Seven states included post-secondary education as one of the services in their JOBS program, and the others, Michigan and Oregon, approved post-secondary education as a self-initiated activity. Three states—New York, Maryland, and Texas—limited post-secondary education to two years and Oregon limited self-initiated educational activities to 18 months.

Beyond these policies permitting post-secondary education, neither state nor local welfare agencies made formal interagency arrangements to provide participants with higher education. But JOBS participants, like other state residents, can attend public institutions of higher education and are eligible for Pell grants, student loans, and other tuition assistance

programs. JOBS participants are referred to these institutions on a case-by-case basis, or they enroll in higher education on their own initiative. Only one or two sites used JOBS funds to pay any of the tuition that was not covered by Pell grants, although nearly all used JOBS funds to finance child care and other supportive services for these students.

State and local institutions of higher education were important sources of JOBS services in several sites, particularly in rural areas where few services were arranged for JOBS participants. As seen in table 8, the proportion of JOBS participants who were in post-secondary education was higher in the rural sites of Maryland, New York, Oklahoma, and Tennessee than in the urban and mid-sized sites of these states. In Oregon and Michigan, where post-secondary education is available only as a self-initiated activity, the proportion of participants in self-initiated activities was highest in rural areas, with many of these individuals attending a community college or other institution of higher education.

Institutions of higher education are located in almost all of the 30 counties in the sample, and community colleges in the mid-sized and rural sites were particularly important providers of higher education. Community colleges generally appear willing to serve JOBS participants, who bring Pell grants and other funds to finance their tuition. In one site, JOBS administrators even complained that a representative of the local community college was recruiting in the welfare agency too aggressively, attempting to enroll individuals who were not well prepared for higher education.

Education for Teenage Custodial Parents

The Family Support Act strongly encourages young parents to complete high school. If they have not completed high school or its equivalent, they must participate in an educational activity, even if their children are of an age that would otherwise exempt them from participation in JOBS. In addition, the state may require attendance in an education program for more than 20 hours a week, the standard limit on the number of hours of required participation in a JOBS activity for parents with children under six years of age.

Two states—Oregon and Pennsylvania—established a separate track of their JOBS program for teenage custodial parents. Maryland required that localities give first priority for service to teenage parents and children 16 to 18 years of age who have not completed high school, and it used JOBS funds to support the programs of the high schools. Other states made few or no distinctions between teenage parents and other JOBS participants in designing and funding their programs. However, while

most of these states made no special arrangements for teenage parents through JOBS, some of them provided services to young parents through other programs. In Michigan and New York, for example, the school districts operate alternative education programs or give special attention to young people at risk in regular high schools. Custodial parents without a high school degree were a priority group in Michigan and were mainstreamed into the state's extensive adult education system. But because the field research did not focus on these other programs, we cannot assess the extent of their service to teenage JOBS participants compared to the programs of Oregon, Pennsylvania, and Maryland.

JOBS implementation appears to have stimulated the greatest changes in programming for teenage parents in Oregon. In implementing JOBS, the state encouraged the local districts to establish a separate track for young parents that offers more intensive counseling and other specific services needed by young parents. All three sites contracted for these services with organizations specializing in serving teenagers, a decision facilitated by the relatively high level of funding for JOBS in Oregon. The urban site contracted with Catholic Community Services, the mid-sized site with a community action network, and the rural site with the Center for Parenting Excellence, a county-funded agency that offers case management and support group services to the area's teenage parents.

Springfield, Oregon. All teenage parents eligible for JOBS were referred to Catholic Community Services, which offered intensive case management and counseling and was responsible for most JOBS functions such as assessment, employment plan development, referral to services, and monitoring of participation. Each teenager was offered the choice of returning to high school or entering an ABE/GED program operated by the lead JOBS agency. At least four of the local area high schools provided on-site child care and a specialized curriculum for teenage parents that included a life skills class. Of the 84 teenage parents who were referred to the Young Parents Program from the Springfield welfare office during the first 9 months of the JOBS program, approximately 85 percent decided to obtain their GED, with only 15 percent opting to return to high school. Many teenage parents viewed themselves as too old to return to high school, short too many credits to receive a high school diploma, or unwelcome in traditional high schools.

The Young Parent Program was designed for all teenage parents, not just JOBS participants. Although JOBS funds were devoted to the program, much of its funding came from the Oregon Youth Development Commission and the local school districts.

In implementing JOBS, Pennsylvania made two efforts to design special education and training services for teenage parents. First, the state designed a component of SPOC specifically for teenage parents that emphasizes training and supportive services. In addition, the state welfare agency contracted with the education agency to expand a program to encourage pregnant and parenting teenagers to continue in, or return to,

high school. Under the contract, local school districts were to provide the state's share of funds to match the federal JOBS funds. But because the federal policies permitting this arrangement were not written until late 1990, implementation of this program at the local level was stalled, and the public high schools were playing only a minimal role in JOBS at the time of the study. However, the response of public high schools was originally positive and, with the change in federal policy, the state was re-starting the program.

Maryland did not design a program specifically for teenage custodial parents, but state policy required that local agencies give particular attention to this group. Teenage parents and recipient children ages 16-18 who have not completed high school were one of three groups that must be given first priority for service. Within the state, Baltimore appears to have made the greatest efforts to arrange services for teenagers, mainstreaming them into the programs of the local public school system. JOBS funds were used to supplement the resources of the public school system and provided additional slots that were reserved for JOBS participants.

In New York and Texas, some sites were devoting more case management services to teenagers than to older recipients. State policy in New York does not require local welfare agencies to offer case management to all JOBS participants, but it does mandate case management for pregnant teenagers and teenage custodial parents under 18 years of age, including individuals who are not participating in JOBS. However, neither New York City nor the rural site appeared to be offering case management to teenagers through the JOBS program. The mid-sized urban area elected to offer case management to all participants, but high caseloads, about 300 cases per worker, prevented the welfare agency from providing more than limited case management services. Individuals needing more intensive assistance, including teenagers, were referred to other agencies in the community.

Harris County (Houston) also targeted case management services on teenagers, although the initiative generally pre-dated JOBS and came less from the welfare agency than from high school principals in the poorer neighborhoods of the city. These principals helped establish in-school programs for pregnant and parenting teens that drew upon the resources of several agencies. For example, one high school provided space for several case managers from the welfare agency, who assisted with supportive services, counseling, life skills training, and other activities. The school also housed a JTPA learning center and was beginning to offer on-site child care. While the welfare agency did not take the lead in creating these programs and eligibility for them was not restricted to

welfare recipients, the increased JOBS funding for case managers facilitated stationing welfare agency staff at the high schools.

In addition to providing these substantive services, Texas also enrolled large numbers of high school students in JOBS in an effort to meet the federally mandated participation rate. By early spring of 1991, state administrators became aware that JOBS implementation was proceeding too slowly to enable the state to meet the 7 percent participation rate. To increase the participation counts quickly, state administrators directed local welfare offices to identify potentially eligible AFDC recipients who were already attending high school and to enroll them in JOBS. Registering these students, including both young custodial parents and recipients without children, had three advantages to the state in increasing their measures of participation and targeting. First, the high school students were already in a program component and required little if any welfare agency staff time; second, their hours of participation were easy to document; and third, they brought with them "excess hours" that could be averaged against the hours of individuals who participated for less than 20 hours.

Texas was not alone among the states in searching out high schools for a source of ready-made JOBS participants or in "gaming" the program's rules in other ways, but this particular game was discovered and is now prohibited. In December 1991, HHS issued an Action Transmittal (JOBS-ACF-AT-91-21) that requires agencies to adopt a more substantive approach to meeting their participation goals. According to the ruling, children who are exempt from JOBS because they are under age 16 or attending school can only be counted as JOBS participants if they are custodial parents.

JOBS SKILLS TRAINING

Continuing the precedent set by the WIN program, the Family Support Act requires that states include job skills training as a component of their JOBS programs. Federal regulations define job skills training as including vocational training in technical job skills and training that provides knowledge and abilities in a specific occupational area (45 CFR 250.44). The Act and the federal regulations place few restrictions on states in providing job skills training, giving them the flexibility to arrange programs that meet the needs and preferences of individuals and reflect local labor market conditions.

In arranging services for JOBS participants, most sites gave less emphasis to job skills training than to job readiness activities and education. While most sites used JOBS funds to support job readiness activities

and many sites funded adult education programs, fewer used JOBS funds to access skills training for participants. Similarly, while many sites designed job readiness and adult education programs exclusively for JOBS participants, sites were less likely to create skills training programs for JOBS participants and more likely to mainstream participants into programs designed for a broader population. As a result, there are sharp differences among the sites in the extent to which skills training programs were available to JOBS participants and in the degree to which administrators viewed skills training as a central component of their JOBS program.

Types of Skills Training

Despite differences in the efforts of the sites to arrange skills training activities, there are strong similarities in the types of skills that participants were learning. Table 11 lists the three skills that, in the judgment of the field associates, were most commonly taught to JOBS participants in each of the sites. Skills for employment in the service sector predominate. Virtually every site offered some type of clerical training, including training in secretarial skills, typing and word processing, clerical skills, or office skills. The second most common category of skills are in the health care area, including training to become nurses' aides, home health aides, and licensed practical nurses. Training for other service sector skills such as food preparation, child care, custodial building maintenance, and beautician skills are the most common categories of training offered in some sites. Skills needed for jobs outside the service sector were commonly taught to JOBS participants in only a few sites; these sites offered training for jobs in manufacturing and construction.

Wage Levels

The field network research was not designed to track JOBS participants to learn whether their training leads to employment and, if they become employed, whether they earn enough to become independent of welfare. However, in the three states where the JTPA played a major role in operating JOBS—Maryland, Pennsylvania, and Tennessee—staff generally have information about the wage rates earned by individuals in various occupations. In these states, the field associates reported that staff were concerned that wage levels would be inadequate to enable participants to become economically self-sufficient.

State-to-state differences in AFDC benefits and wage levels make us uncertain about which of the skills listed in table 11 command wages that are high enough to lift families out of welfare dependency. On the one hand, these programs are generally not training individuals for the types

Table 11. Content of Job Skills Training Programs

State	Site	Most Common Skills		
Maryland	Baltimore	Clerical	Health Care	(Not identified)
	Anne Arundel	Clerical	Construction Skills	Building Maintenance
	Dorchester	Clerical	Health Care	Machine Operation
Michigan	Wayne	Health Care	Clerical	Emergency Medical
	Kalamazoo	Health Care	Clerical	Computer Skills
	Tuscola	Clinical (Health)	Health Care	Automobile Industry
Mississippi	Hinds	Clerical	Health Care	Food Service
	Harrison	Health Care	Clerical	Food Service
	Quitman	Beautician	Clerical	Custodial
New York	New York City	Clerical	(Not identified)	(Not identified)
	Oneida	Health Care	Clerical	(Not identified)
	Franklin	Health Care	Clerical	(Not identified)
Oklahoma	Tulsa	Clerical	Health Care	Food Service
	Carter	Clerical	Food Service	Food Service
	LeFlore	Beautician	Clerical	Custodial
Oregon	Springfield	Clerical	Health Care	Computer Skills
	Medford	Clerical	Manufacturing	Computer Skills
	Lagrande	Clerical	Accounting	Computer Skills
Pennsylvania*	Philadelphia	Health Care	Clerical	Social Services
	Blair	Clerical	Health Care	Child Care
	Clinton	Health Care	Computer Skills	Clerical
Tennessee	Davidson	Clerical	Computer Skills	Health Care
	Sullivan	(JOBS program has not emphasized job skills training.)		
	Gibson	(JOBS program has not emphasized job skills training.)		
Texas	Harris	Clerical	Health Care	Computer Skills
	Nueces	Health Care	Drafting	Clerical
	Bee	Health Care	Child Care	(Not identified)

* Single Point of Contact Program only.

of high-performance, high-wage jobs that virtually guarantee an end to welfare dependency. On the other hand, some of these occupations do offer the promise of wages, especially beyond the entry level, that can enable participants to earn enough to become independent of welfare.

Funding and Accessing Job Skills Training

Looking across the states, one is struck by the differences in their efforts to purchase skills training for JOBS participants. Four states—Mississippi, Oklahoma, Tennessee, and Texas—devoted virtually no JOBS funds to obtaining skills training slots; Oregon used only a small share of its JOBS funds to purchase skills training. Hence, JOBS participants in these states were drawing upon the resources of other programs, particularly the JTPA, public schools, and community colleges, to gain access to skills training programs. In the other four states—Maryland, Michigan, New York, and Pennsylvania—most sites used JOBS funds to contract for skills training programs tailored exclusively for JOBS participants or to reimburse providers when JOBS participants were mainstreamed into their programs. These funds supplemented the services that participants received from other programs such as the JTPA, which serve welfare recipients as part of their own mission.

In Maryland and Pennsylvania, where JOBS funds for job skills training were transferred to the JTPA, the JTPA obtained training slots for JOBS participants primarily through arrangements with the organizations serving other JTPA participants. The philosophy of program administrators in Maryland favored mainstreaming JOBS participants into the regular JTPA skills training programs, although a few contracts for training were written exclusively for JOBS participants. In Pennsylvania, the mid-sized city and rural area were mainstreaming clients into the programs of the JTPA and other agencies, with JOBS funding accompanying the client to cover the cost of the services. Philadelphia also mainstreamed clients into existing programs, but it took advantage of economies of scale to contract for some programs tailored exclusively for JOBS participants.

Philadelphia, Pennsylvania. The most important providers of skills training in the city were non-profit agencies, many contracting with the JTPA to offer a particular service to JOBS participants. Although most of these contracts were for training in traditionally female occupations such as health care, clerical work, and early childhood education, a contract was negotiated with Tradeswomen of Philadelphia/Women in Non-Traditional Work, Inc. for a six-month program providing training in carpentry, electrical work, plumbing, and fork-lift operation, followed by six to eight weeks of on-the-job training in housing rehabilitation projects run by local non-profit organizations.

The largest single contract for education and skills training in Philadelphia was with the Philadelphia Community College, which offers two-year associates' degrees and certificate programs in a wide variety of business, health, science and engineering, human services, and humanities programs. JOBS participants, many supported by Pell grants and student loans, were mainstreamed into regular classes at the college. JOBS funds permitted social workers to be stationed at the college to provide counseling and

other support services, and tutoring was available that could be tailored to individuals' educational needs.

Welfare agencies in Michigan and New York also contracted with other organizations for skills training for JOBS participants. The Wayne County (Detroit) welfare district contracted for a considerable variety of skills training programs, including programs in carpentry and machinist training. The mid-sized and rural sites in Michigan were less likely to offer tailor-made programs, and the variety of training opportunities was considerably more limited. But the state's adult education system offers skills training, especially in the clerical field, and these schools were able to serve many JOBS participants, often on a self-initiated basis.

Mid-sized Oneida County in New York placed a strong emphasis on skills training, developing contracts for training in a wide variety of occupations, including traditionally female occupations such as home health aide, nurse's aide, child care worker, and food service. Perhaps because New York's JOBS program serves recipients of general assistance, which is neither required nor funded by the federal government, the county also developed contracts for training in traditionally male occupations, including electronic repair and assembly, offset printing, and tractor trailer driving. Although the rural New York site contracted with the JTPA for its entire JOBS program, few individuals were enrolled in skills training programs.

New York City devoted none of its JOBS funds to job skills training and was relying instead on an array of other programs in the community. Funding for JOBS was severely constrained in the city, which like all other local governments in New York must finance a share of the cost of JOBS. Large numbers of the city's JOBS participants enrolled in education and training programs on their own, coming to the welfare agency for child care and other supportive services. As a result, two-thirds of JOBS participants in the city were recorded as being in a self-initiated activity. The large numbers of individuals who self-initiated into JOBS, while necessary to ensure that the city met its 7 percent participation rate, created a problem for the welfare agency: without prior approval by the welfare agency, individuals enrolled in programs for which they were not adequately prepared and were recruited by proprietary schools offering programs of poor quality. The city's response to this dilemma is discussed below.

Of the sites that fund skills training, the large urban areas were most likely to have developed training programs exclusively for JOBS participants. In general, smaller cities and rural areas were less likely to tailor training programs specifically for JOBS participants and generally

mainstreamed their JOBS participants into the training programs of other providers, who may or may not have been reimbursed with JOBS funds. While JOBS administrators in some smaller sites argued that mainstreaming is necessary to achieve economies of scale in service delivery, the experience of Oneida County in New York suggests that economies of scale may not be the only issue. The county was able to locate training providers, negotiate contracts, and enroll a sufficient number of participants to fill the program slots. However, its contracts for training in the traditionally male occupations were not renewed because, while programs were successfully created, jobs could not be found for a sufficient number of trainees to satisfy the terms of the performance-based contracts. In other words, tailoring programs exclusively for JOBS participants may produce more workers in a specific occupation than can be absorbed by a small labor market.

In the five states that used few or no JOBS funds to purchase skills training, these services were financed primarily by the JTPA, by vocational education programs, or through Pell grants. The JTPA was the most important source of training in Texas, with a significant share of the JOBS participants in Service Level II entering JOBS through a referral from the JTPA to the welfare agency. The welfare agency authorized supportive services for individuals referred from the JTPA and referred them back to the JTPA for training. In Mississippi as well, the JTPA was the primary source of skills training, although there were no skills training programs available in the rural sites. The JTPA and vocational-technical schools were sources of skills training in Tennessee, where the JTPA operates JOBS and mainstreamed JOBS participants into regular JTPA and vocational education skills training programs.

In these states, field associates reported that the JTPA program generally determined the types of skills training provided to JOBS participants:

> To a major degree, JOBS has been "piggy-backed" onto the JTPA system in Tennessee, still largely offering the types of services that were previously offered by JTPA. The reliance on JTPA has caused JOBS to be shaped largely by service patterns developed earlier for the JTPA program, rather than being tailored to the special needs of JOBS participants.
>
> In Harris County [Houston], the Texas JOBS model—relying exclusively on the JTPA for non-reimbursable skills training —results in JOBS participants getting what's available, not necessarily what they need.... In Nueces County [Corpus Cristi], the PIC basically is the primary intake source for the welfare department for Service Level II clients, referring to the department only those clients the PIC feels it can serve and serve appropriately. ... In rural Bee County, the JOBS program is generally hostage to whatever JTPA offers in the way of skills training, since JTPA is footing the bill.

> In Mississippi, the service mix under JOBS is very similar to that which existed under WIN. There may be some slight increase in the access to skills training because of the advantages to JTPA of serving clients who have the supportive services provided by JOBS.

The Oklahoma welfare agency used most of its JOBS funds to support the staff of the welfare agency, allocating only very small amounts of funds to purchase services from other organizations and virtually no funds to purchase skills training. It is the responsibility of the job developers in the welfare agency to learn about training opportunities in the area and refer participants to them. The JTPA was one source of services, but JOBS participants were most typically referred to vocational-technical schools for skills training, obtaining financial support from Pell grants:

> The ET&E program was designed to broker for non-reimbursable services. Overall, all three sites have been effective in implementing this concept, with interagency planning and coordination and active job developers who utilize existing programs.

Job Skills Training Providers

In discussing the availability of adult basic education for JOBS participants, we concluded that organizations are willing to serve JOBS participants if they are paid for their services. Many of the same organizations that provide adult education—public schools, vocational-technical schools, community colleges, and community-based organizations—also provide job skills training. In addition, non-profit and for-profit organizations offering specialized education and training programs are widespread, particularly in urban areas. The reports of the field associates offer clear evidence that this array of organizations, while wider in some areas than others, constitutes an infrastructure with the potential to provide skills training to JOBS participants if financing is available:

> The Altoona Voc-Ed District [Blair County, Pennsylvania] has recently become much more active in JOBS-type activities. Until the late 1980s the district concentrated almost exclusively on its traditional base—public high school students participating either full-time or split-time with the Altoona High School. It held an important niche in the largely blue-collar, manufacturing-based local economy. However, enrollment declines began to bite deeply in the middle 1980s and the district is responding by branching out into adult programs and is now in the process of forging links to local welfare and employment/unemployment agencies.

One difference between education and training, however, is the specialized nature of skills training. As the experience of Oneida County in New York suggests, the demand for many skills may be too small to justify a training program designed exclusively for JOBS participants in a small city or rural area. For this reason, among others, many JOBS participants were mainstreamed into programs designed for a broader

population. When these programs did not meet for 20 hours per week or when they were located at a distance that entailed high transportation costs, they could not easily be accessed through JOBS. Hence, even apart from the needs of the clients, it is not surprising that the primary expansion of service slots during JOBS implementation was in educational activities rather than training.

For-profit proprietary schools, such as secretarial, business, and beauty schools, were common providers of skills training for JOBS participants in some of the sites. JOBS participants typically financed the tuition charged by these schools through Pell grants and student loans, with JOBS covering the cost of child care and other supportive services. Although JOBS staff in some sites expressed confidence in the quality of the education and training offered by these schools and routinely referred JOBS participants to them, proprietary schools presented special problems in some areas. Individuals enrolled in these schools on their own, sometimes in response to aggressive advertising and recruitment by the schools, becoming self-initiated JOBS participants when they applied for child care and other supportive services. However, they did not have the benefit of an assessment and a discussion with a JOBS worker that could help indicate whether they were prepared for their course of study, whether this was the best choice for them, and whether the school had a record of successfully preparing students for employment. One field associate noted:

> I was astonished to learn that a number of these schools recruit in the outer DSS office. Often the quality of the education is so poor that even if they receive an A in the curriculum, they have to take remedial courses at the local college.

Another wrote:

> Agency staff point to the fact that many JOBS clients have been "seduced" by unscrupulous proprietary schools in the past: they are still lacking adequate skills, but have the added handicap of having exhausted their Pell grants and carrying unpaid student loans as well.

In two large urban sites, New York City and Wayne County (Detroit), field associates reported that self-initiated enrollment in proprietary schools was restricted by the welfare agency to ensure that the schools would serve the best interests of JOBS participants and help meet the goals of the program. The welfare agency in Wayne County was somewhat reluctant to restrict approval of these self-initiated programs because some staff believed that they might be charged with discrimination suits for denying recipients their choice of job training. But despite this concern, staff tightened up on their approval of courses that often do not lead to employment, such as programs in cosmetology.

New York City made several important changes in its policies regarding proprietary schools and training providers more generally. The city's employment and training efforts prior to JOBS consisted primarily of paying the employment-related expenses of individuals who were participating in education and training programs available in the community. With insufficient funding to greatly expand education and training programs for JOBS participants, but with a mandate to meet the 7 percent participation rate, the city welfare agency needed to permit participants to enroll in proprietary programs and to strengthen its linkages to government and community programs available to the agency at no cost. The agency took two related actions to achieve this goal. First, it established standards that education and training programs must meet in order to be approved as a JOBS activity. Second, the city created a catalog of over 900 programs that met these standards, including many programs offered by public and non-profit agencies, and it updated the catalog frequently. Agency staff used the catalog to approve self-initiated training and, as more welfare recipients went through the assessment process, to inform themselves of the availability of service slots to which individuals could be referred.

New York City's Training Approval Policy. The Training Approval Policy developed by the New York City Office of Employment Services imposes three conditions that programs must meet in order to enroll JOBS participants. First, programs must offer instruction leading to useful employment in a recognized occupation; that is, the instruction must have a vocational objective in an occupation with market demand. Second, the provider must have secured employment for a minimum of 25 percent of enrollees within five months of their training completion date during 1988-91; this minimum job placement rate increases to 30 percent for 1992-93 and 35 percent for 1994-95. Finally, the provider must furnish monthly confirmation of attendance and satisfactory progress as defined by federal JOBS regulations. Programs that meet these conditions and are available at no cost to the welfare agency are listed in a Resource Guide, a catalog that is used by welfare agency staff both to approve self-initiated activities and to refer individuals to education and training programs available in the community.

By its own admission, "New York City lacks an integrated system of education, training and job placement services for adults" (New York City Office of Employment Services, 1990). The city contains literally hundreds of organizations offering education and training services, but despite the large numbers of providers, or perhaps because of the large numbers of providers, the welfare agency has developed few formal contracts and agreements with other organizations. In effect, the Training Approval Policy and the Resource Guide became a substitute for the interagency agreements and contracts used in other sites to access education and training for JOBS participants.

JOB DEVELOPMENT AND JOB PLACEMENT

Direct placement of welfare recipients in jobs was always a component of WIN: the original WIN legislation required that states include "a program placing as many individuals as is possible in employment" (P.L. 90-248, Sec. 204). To help achieve this goal, the federal law gave responsibility for providing WIN employment services to the state employment agencies that administer unemployment insurance and provide labor market services for unemployed workers. To ensure that welfare recipients would make contact with WIN, amendments in 1971 required that applicants for AFDC register with the employment agency as a condition of eligibility. In a further effort to strengthen linkages with the employment agencies and draw upon their capacity to place individuals in jobs, federal regulations issued in 1976 required that the state employment agency and welfare agency administer WIN jointly.

In 1981, after several years of experience with joint administration of WIN, state welfare agencies were given the option of taking full responsibility for administering their welfare employment programs. The Family Support Act mandated this arrangement, giving lead responsibility for administering JOBS to the state welfare agency and further severing the tie with the employment agency by eliminating the requirement that applicants for assistance register with the agency as a condition of eligibility. The Act requires that job development and job placement be included as a component of JOBS, but it gives the welfare agency discretion in referring individuals to this service, as well as in choosing whether to continue relying on the employment agency for these services or to develop alternative arrangements.

Has the broader range of education and training services that can be offered through JOBS, together with the loosening of ties to the employment agency, affected state and local efforts to place recipients in jobs?

This question is difficult to answer: not only do we lack information about the extent of job placement activities prior to JOBS, but we also have no measure of job placement activity during the period of this study. Moreover, the efforts of the field associates to collect information about job placement were confounded because job development and placement are closely related to another JOBS component, job search. In job development and placement, the agency staff establish contacts with employers, gathering information about job openings, creating job opportunities, and referring individuals to them. In contrast, the objective of job search programs is to enable individuals to establish contacts with employers themselves. But both job development/placement and job search have the same goal of securing jobs for individuals, and both

require the effort of the agency and the individual to achieve this goal. In addition, job development/placement is sometimes provided by the same agency that provides job search, and the activities are sometimes combined into a single program. Therefore, in practice, the difference between the two activities is blurred.

The federal regulations define job development and placement as an activity of the staff of an organization, while job search is viewed as an activity of the participants. Based on this distinction, states are permitted to count the time that individuals spend in job search in calculating their participation rate, but during the period of this study, they could not count job development and placement. For this reason, the information on participation in JOBS components in fiscal year 1991 does not indicate the extent of job development and placement activity. Nor do the federal regulations require that states collect information on job placements, which would be another indication of the extent of effort made in job development and placement. In the absence of quantitative data, we must rely on qualitative information in our attempts to determine whether job development and job placement are significant components of JOBS. In this study, we asked field associates to describe the sites' arrangements for accessing job development and placement services and to report any indications that these activities are, or are not, important JOBS components.

Field associates reported that job development and placement activities occurred through three types of arrangements. In Maryland, Pennsylvania, and Tennessee, where the JTPA plays a formal role in operating JOBS as part of an integrated system, job development and placement are performed by the JTPA itself or by its education and training contractors as a necessary task for meeting their performance goals. In Oklahoma, Oregon, Texas, and the urban sites in Michigan, job development and placement activity was combined with the job search programs operated by the welfare agencies or their contractors. The remaining states relied primarily on the employment security agency, under arrangements that ranged from formal agreements and financial support with JOBS funds to informal or no agreements between the welfare agency and the employment agency. States that provided job development and placement along with job search or education and training also referred individuals to the employment security agency, although it was difficult to ascertain the extent of this practice.

Job Development and Placement by JTPA Contractors in an Integrated System

JTPA performance standards clearly were effective in encouraging providers to devote attention to job development and placement. In Tennessee, where a large share of JOBS services were funded by the JTPA, the influence of these standards was particularly noticeable:

> In Davidson County (Nashville), Tennessee, each provider of JOBS services is expected to provide job search and placement services for clients who become job-ready, and several of the contractors for JOBS services employ full-time job developers to place individuals in jobs. Job placement is a priority because the JTPA funds most education and training and most JOBS clients are "co-enrolled" in JTPA, so that their success in becoming employed affects the overall statistics for JTPA. Hence job placement is a vital function in the eyes of the SDA and its contractors.

In Maryland, job development and placement appeared to be significant components of JOBS primarily for those clients in skills training, since skills training was typically provided by JTPA contractors operating under performance-based contracts. In Philadelphia, job development and placement for SPOC participants was also handled primarily by education and training subcontractors. While the employment security agency is one of the SPOC partners, its participation in SPOC was more pro forma in Philadelphia than at the other two sites.

Because job placement is critical to all JTPA contractors, job development and placement services were undoubtedly provided to JOBS participants engaged in JTPA programs in the other states as well, although the field associates provided no direct information about these efforts.

Job Development and Placement Combined with Job Search

In the states where job development and placement were combined with job search programs—Michigan, Oklahoma, Oregon, and Texas—agency staff divided their time between working with employers in job development/placement activities and working with clients as they engaged in job search. While the reports of the field associates were not precise in indicating the relative emphasis given to each of these activities, job search was the dominant activity in Michigan, in Oregon, and in the program for Service Level I participants in Texas, while Oklahoma devoted more staff time than these states to job development and placement.

Oklahoma placed greater emphasis on job development and placement than any state in the study and, unlike many other states, assigned this function to the welfare agency. Each welfare agency employed specialized staff, known as "job developers," whose primary function was to

establish linkages with education and training providers and with potential employers. As a result, the welfare agencies in Oklahoma have created a capacity to interact with individual employers and appear to have established closer linkages to employers than the welfare agencies in other states.

Tulsa, Oklahoma. The welfare agency employed 41 income maintenance workers and five job developers, along with several supervisors. The income maintenance workers are formally responsible for conducting the assessment and developing the employment plan, although the job developers routinely become involved in reviewing the initial assessment and often make modifications. Job developers conduct job readiness training, establish contacts with education and training providers (who are only rarely supported with JOBS funds), develop work experience slots, and supervise both individual and group job search. They spend a substantial portion of their time acquiring information about available jobs and interacting with potential employers and the community.

Carter County, Oklahoma. As in Tulsa, the welfare agency assigned major JOBS functions to its job developers, who were making particularly strong efforts to "sell" JOBS to the community. Job developers routinely spoke before civic groups such as the Personnel Directors' Roundtable at the Chamber of Commerce, the Lion's Club, and the Memorial Hospital. In addition to informing employers about their program, the job developers discussed employers' reluctance to hire recipients and attempted to change their attitudes.

Other agencies in Oklahoma also employed job developers, resulting in some competition among them. The opinion of one welfare agency staff illustrates a disadvantage of developing an independent job placement capacity within the welfare agency instead of referring clients to the employment agency or another organization that specializes in establishing contacts with employers:

> I think it is confusing for the employers when there are so many job developers. We have job developers at the high school, the Vo-Tech, the JTPA program, the mentally retarded, the aged. An employer can run an ad in the paper and he does not get any employees. He gets six job developers at his door selling him on the tax breaks and benefits of hiring this particular category. I did not even go into the parole officers that are looking for jobs for their clients and the mental health people that are looking for jobs for their clients.

While duplication of effort may be the price for developing an independent capacity for job placement in the welfare agency, Oklahoma has decided that this price is worth paying to ensure that a sufficient share of the state's job placement efforts focus on welfare recipients.

Referral to the Employment Security Agency

Although we have no quantitative information regarding the level of the state employment agencies' job development and placement activity

on behalf of JOBS participants, the role of the agencies appears to vary considerably both among and within states. Both New York and Pennsylvania allocated JOBS funds to the employment agency in implementing the program. In Oneida County, staff from the New York Department of Labor were located in the welfare agency, together with their computer to access job listings. The New York City welfare agency, in contrast, did not engage the staff of the Department of Labor in its program, and no formal linkages existed between the two agencies. The employment agency was an active partner in Pennsylvania's SPOC program, but it played a larger role in the mid-sized and rural sites than in Philadelphia. In rural Michigan, the welfare agency, the JTPA, and other service providers agreed that employers should be not be contacted by multiple agencies and gave responsibility for job development and placement to the employment agency, but the agency was less central to JOBS in the urban sites of the state. Field associates in Mississippi and Texas reported that JOBS participants were referred to the employment security agency, but that the agency did not appear to be a major source of services.

INDIVIDUAL AND GROUP JOB SEARCH

Although the Family Support Act mandates job readiness activities, education, job skills training, and job development and placement services, it gives states some discretion in selecting among components that are more directly related to employment. States must elect to offer at least two of the following employment-related activities: group and individual job search, on-the-job training (OJT), work supplementation, and a community work experience program (CWEP) or other approved work experience program. The participation data in tables 7 and 8 indicate that job search is the most common activity of the individuals participating in these optional components, followed by CWEP and "other" activities, which are primarily other work experience programs.

Job search activities evolved gradually under the WIN program, expanding rapidly after legislation in 1982 gave states the option of requiring individuals to engage in job search as a condition of eligibility for welfare. The Family Support Act continues to permit states to require job search of both applicants and recipients. However, individuals cannot be assigned to job search for more than three weeks without an assessment of their service needs and, after a certain number of weeks, job search must be combined with some other education, employment, or training activity designed to improve an individual's prospects for employment.

The Family Support Act permits job search services to be delivered in two formats: individual job search and group job search. According to the federal regulations,

> Individual job search includes the provision of counseling, job-seeking skills training, information dissemination and support on a one-to-one basis. Group job search includes the provision of counseling and training in a group setting where applicants or recipients are taught job-seeking skills, and may include a phone bank from which participants contact potential employers (45 CFR 250.60(a)).

Individual Job Search

The field research did not provide enough information about individual job search to permit an assessment of its use as a JOBS component. Several field associates reported that individual job search was provided informally by the welfare agency or other lead agency or was combined with group job search as discussed below. Several others reported that job search was conducted by the employment security agency and that they could not distinguish between individual job search and job development and placement. The welfare agencies in Oklahoma referred all AFDC-Unemployed Parent applicants to job search prior to an initial assessment, as indicated in the client flow chart for the Job-Readiness Screening model. Two other states—New York and Oregon—permitted referral to job search prior to the initial assessment, but the field research did not identify groups who were routinely referred to job search at this stage.

Group Job Search Programs

In five of the six states taking a welfare agency or contracting approach to arranging JOBS services—Michigan, New York, Oklahoma, Oregon, and Texas—some or all sites devoted a share of their JOBS resources to group job search programs. The programs were operated exclusively for JOBS participants, either by the welfare agency or by another organization under contract to the welfare agency. In some of the sites, particularly in Oregon and Texas, job search activities were combined with job readiness activities and job development/placement services into an integrated package of services for job-ready individuals. In Texas, and to a lesser degree in Oregon, these integrated programs constituted a major share of the sites' JOBS implementation efforts and increased the availability of these services to recipients. Sites in Michigan and New York, in comparison, operated group job search programs before JOBS and did not appear to have devoted substantially more resources to them. Instead, sites in Michigan and New York allocated more of their JOBS funds to education and training programs. Sites in Oklahoma emphasized

job search and placement prior to JOBS and continued to emphasize these services.

In the other four states—Maryland, Mississippi, Pennsylvania, and Tennessee—the sites devoted few or no JOBS funds to group job search activities. With the exception of Mississippi, these are the states with an integrated system in which the JTPA plays a major role in operating JOBS. Although some welfare recipients were mainstreamed into the group job search programs created by the JTPA for its own clients, group job search was not being emphasized as a JOBS component in these states.

Group Job Search Formats. States and sites offered group job search in a variety of formats: as a brief group activity, generally followed by a longer period of individual job search; as a job club, in which job search skills training was provided in a group setting followed by a period during which individuals searched for jobs with continued support from the group; and as a component of an integrated package of services including job readiness activities and individual job search, as well as job development and placement in some sites.

Tulsa, Oklahoma provided a relatively short group job search program, followed by a longer period of monitored individual job search.

Tulsa, Oklahoma. Job developers led the one-week group job search program, which they generally offered after individuals had completed the welfare agency's job readiness program. The sessions taught clients how to prepare a resume, dress appropriately for work, conduct job interviews, fill out job applications, and use classified advertisements in the newspaper to learn about job openings. Following this group training was a period of structured individual job search, during which clients were required to apply for jobs and report back to the job developers with proof of their efforts. Job developers also gave participants information about available positions, one of the advantages of assigning job search and job development/placement activities to the same staff.

Prior to JOBS, all sites in Michigan and the urban and mid-sized sites in New York operated job search programs in the Job Club format, generally as a prominent feature of their welfare employment programs. With JOBS implementation, both the urban and mid-sized sites in these states continued to offer Job Club, although the rural site in Michigan discontinued its program and initiated a job readiness program instead. But while Job Clubs still operated in both states, the expansion of education and training programs shifted the emphasis in JOBS from job search to activities designed to increase earning capacity. To some degree, this shift also resulted from the choices of participants who preferred education and training over job search and placement.

New York City, New York. Welfare employment programs in New York City have been greatly influenced by its mayors and by commissioners of the city's welfare agency. The commissioner during the initial period of JOBS implementation was William Grinker, the founder and first president of the Manpower Demonstration Research Corporation. In designing the city's JOBS program, the commissioner drew upon MDRC's research showing that job search was cost-effective in reducing welfare expenditures, and he made job search a major component of the city's welfare employment program by contracting for a network of Job Clubs. When administrations changed in early 1990, the new commissioner redesigned the program to give greater emphasis to education, although the city continued to contract with various governmental, charitable, and community-based organizations for Job Club programs.

New York City's Job Clubs, organized into groups of 10 to 15 clients and an employment counselor, met full-time for four weeks to teach individuals how to find jobs and to give them experience in searching for jobs. Participants first learned how to write resumes, complete job applications, discover job leads, secure interviews with employers, and handle these interviews. Then, at a site equipped with telephones and information about job openings, they contacted employers and went for job interviews, discussing their experiences with the employment counselor and other participants and, ideally, receiving the support and encouragement of the group.

The Texas welfare agency, as discussed above, separated its welfare caseload into service levels, focusing JOBS resources on the individuals in Service Levels I and II. To obtain services for Service Level I clients, the most job-ready individuals, the state contracted with both public and private organizations through a competitive procurement process. The contracts were awarded to several types of organizations: MAXIMUS, Inc., a for-profit firm, in Harris County; the Texas Employment Commission (the state's employment service) in Nueces County; and the JTPA Private Industry Council in rural Bee County.

The contracts gave relatively little discretion to providers regarding the types of services offered to clients because they required a specific set of job readiness, job search, and job development activities. We describe the program in Harris County because it illustrates the responsiveness of the private for-profit sector to the JOBS program if funds are available to purchase services.

Harris County (Houston), Texas. The $665,000 contract with MAXIMUS called for services to 1,560 clients over an 11-month period. Using a list of Service Level I recipients supplied by the welfare agency, the firm was responsible for informing these individuals about their required participation in JOBS and calling them into its office for assessment and development of employability plans. The contract required MAXIMUS to provide all clients with life skills training, job readiness activities, and individual or group job search and to engage in job development for individuals who could not locate employment. All clients were to receive case management services from the

eight staff members hired to provide those services and to lead training sessions. The firm planned to schedule all participants for 20 hours of activities per week.

Of the five states that devoted JOBS funds to group job search programs, Texas and Oregon appeared to have expanded their job search programs in implementing JOBS, while New York and Oklahoma appeared to be continuing their prior programs with relatively little change. Michigan may emphasize job search less than it did prior to JOBS because job search is no longer a required activity, as it was under the WIN Demonstration, and the greater weight given to clients' preferences has allowed more individuals to enter education and training. The field associate in Tennessee noted that large numbers of recipients were no longer referred to the employment security agency, as they were in some parts of the state prior to JOBS, and he concluded that there may have been a slight retrenchment in job search services.

JOBS administrators in several rural areas gave the same explanation for their infrequent use of job search: when there are few job openings, the stream of people looking for work creates a burden on the small number of employers in the area. In one rural area, the field associate noted that "the welfare commissioner is very particular about the people who are referred to job search. He knows the area's employers well and serves on the PIC board, and he feels a personal responsibility for sending employers only individuals with a good chance of being hired."

WORK PROGRAMS AND ON-THE-JOB TRAINING

Of all the services offered under the JOBS program, the provisions that permit agencies to create job opportunities for recipients are among the most complex to administer. These services are also controversial, requiring a compromise between the goal of creating jobs so that welfare recipients can work and the pressure to preserve public and private jobs for other workers. In addition, operating these programs requires an agency to develop the capacity to make direct contact with potentially large numbers of public and private sector employers. In this regard, the creation of job opportunities is similar to job development and placement activities, since both require the agency to create relationships and share information with numerous other public and private organizations.

The JOBS legislation authorizes three arrangements for providing work for recipients: a Community Work Experience Program (CWEP) or alternative work experience program, on-the-job training, and work supplementation. On-the-job training has always been a component of the WIN program, although states did not use it extensively, while CWEP

and work supplementation were introduced as options in 1981. (Federal legislation in 1962 permitted state work experience programs, but the WIN legislation in 1967 suspended this option.) During the 1980s, four of the study states—Michigan, New York, Oklahoma, and Pennsylvania—introduced CWEP statewide, while the response of states to the work supplementation option was considerably more limited.

According to the federal regulations, a Community Work Experience Program provides "work experience and training... that serves a useful public purpose" (45 CFR 250.63). The recipient receives no wages in compensation for her effort, in effect working in exchange for the welfare grant, an arrangement that has been termed "workfare" or, by its critics, "slavefare." To protect the interests of both welfare recipients and other workers, individuals can participate in a CWEP program for only a limited number of hours per month. The maximum number of work hours equals the amount of a family's welfare grant divided by the minimum wage. After six months of participation in CWEP, the agency must reassess the client and, if appropriate, prepare a new employability plan. After nine months in a CWEP position, the maximum number of hours is limited to the amount of the welfare grant divided by the prevailing wage, if it is higher than the minimum wage.

Curiously, the Family Support Act also permits states to operate an alternative work experience program (WEP) that contains few of the protections in CWEP. An alternative work experience program must be approved by the Secretary of the Department of Health and Human Services, but none of the above restrictions are imposed by the Act. For a state with a low welfare grant, dividing the grant by the minimum wage may result in a limit of less than 20 hours of work per week for some or all recipients, thereby impeding efforts to meet the federally mandated participation rate. An alternative work experience program, with no pre-determined limit on the hours of participation, offers low-grant states a more attractive programmatic option.

On-the-job training, according to the federal regulations, occurs when "a participant is hired by a private or public employer and while engaged in productive work receives training that provides knowledge or skills essential to the full and adequate performance of that job" (45 CFR 250.61). Individuals are paid wages and benefits by the employer equal to those of similar workers, while employers are subsidized with payments of up to 50 percent of the wages paid. In contrast to CWEP, where no payments are made to employers, and in contrast also to work supplementation, where the welfare grant is used to pay employers, payments to employers for on-the-job training require outlays in addition to the welfare grant. But on-the-job training also results in some savings in the

welfare grant, since wages paid are counted as earnings in determining the amount of the grant.

Under work supplementation, also known as grant diversion, all or part of the welfare grant is paid to an employer, who hires the recipient as a regular employee. The Family Support Act offers states great flexibility in designing a grant diversion program and permits the welfare agency to subsidize any type of job and determine how long the position is to be subsidized, the amount of wages to be paid to the recipient, and the amount of the subsidy to the employer. The welfare agency is also given flexibility in its treatment of the earnings from a supplemented job. But limiting this potentially powerful set of incentives for employers to hire welfare recipients is a prohibition against assigning participants to unfilled job vacancies that in effect requires supplemented positions to be new jobs.

Work Experience Programs

In implementing JOBS, three states—Michigan, New York, and Pennsylvania—elected to operate CWEP programs. As expected, states choosing this option include those that provide the most generous welfare grants of the study states. All of them, as well as Oklahoma, had introduced CWEP under the 1981 legislation, generally on a statewide basis, and thus had experience in operating this type of program. Five states—Maryland, Mississippi, Oklahoma, Oregon, and Pennsylvania—elected to offer an alternative work experience program under JOBS, while Tennessee and Texas chose neither form of work experience program.

In practice, the field associates reported, the local sites generally did not increase the placement of recipients in work experience, and some sites decreased their use of this option. Work experience was not being used in the local sites in Mississippi and played only a minor role, or no role, in the local sites of Maryland, Oregon, and Pennsylvania. Only in states where the welfare agency took the lead in arranging services—Michigan, New York, and Oklahoma—was work experience a noteworthy component of JOBS, but even in these states the local sites generally did not increase their emphasis on this approach, and some sites decreased the number of placements in work experience in implementing JOBS. A large share of the individuals referred to work experience in Michigan and New York received general assistance and thus may have been subject to more stringent mandates regarding assignment to work experience than AFDC recipients. (Oklahoma eliminated its general assistance program several years ago, and, since the period of the study, Michigan eliminated its general assistance program as well.)

Staffing for Work Experience. In Michigan, New York, and Oklahoma, work experience placements were generally arranged by the staff of the welfare agency, typically by individuals who specialized in establishing linkages with employers. In Oklahoma, work experience was the responsibility of the welfare agency's job developers, who also operated job search programs and engaged in job development and placement. In Detroit, where work experience was more common than in the other Michigan sites, one MOST worker was assigned to CWEP. The New York City welfare agency operated a single specialized office for its work experience program, which arranged placements for recipients from all sections of the city. In both Michigan and New York, the majority of participants in work experience received general assistance, not AFDC.

Prior experience in operating CWEP programs in these three states facilitated the operation of their programs under JOBS. In Detroit, for example, the field associate concluded that "the CWEP program seems to work better in this office than in the others because of the experience of the MOST worker in running the program." Job developers in Oklahoma also had built the capacity to place recipients in work experience prior to JOBS, so that at the time of the study they were making placements in a very large number of facilities: over 200 work sites in Tulsa, 35 work sites in Carter County, and 72 work sites in rural LeFlore County. Oneida County in New York placed individuals in over 80 different locations, and, while information on the number of work sites was not available in New York City and the rural site, they also made placements in many local public agencies. Clearly, some work experience placements can be developed if staff are devoted to this task.

Impediments to Work Experience. The field associates reported several impediments to placing recipients in work experience positions. The potential displacement of regular public employees limited the use of work experience in Pennsylvania, particularly in Philadelphia:

> Work experience in Philadelphia was almost completely phased out in early 1991 as a result of the state-level budget crunch. The Department of Public Welfare was forbidden to place CWEP participants in state offices because the state was making significant staffing cuts. Full-time state workers therefore viewed CWEP participants as a threat to their jobs. Very limited use of this component still occurs through placements in non-profit organizations, but it is not a prominent part of the program.

Welfare agency staff in Oklahoma acknowledged the potential for displacement, although this concern did not appear to have limited the agency's use of work experience. According to agency staff:

> Local government agencies don't have the funds to hire clients full time, but they are very happy to put them to work indefinitely on WEP. For example,

> I have a client now who has been working for the city for 6 months; they like him and plan to hire him full time, but they don't have the money.

Another impediment to work experience is the time limits imposed by some states. The Family Support Act requires states to reassess an individual after 6 months of participation in a CWEP assignment and, as appropriate, revise her employability plan. Although this provision does not necessarily limit the duration of a work experience assignment, Michigan limited each CWEP assignment to six months, and New York went further by limiting participation in work experience to a total of six months during any single period of eligibility for welfare. The field associates' reports noted that these 6-month limits on CWEP were criticized by some local JOBS administrators. Staff in the rural sites, in particular, argued that the CWEP restrictions limited their use of this JOBS component. The use of CWEP declined in Michigan, especially in rural areas where public employment represents a much greater share of total employment than it does in urban areas. In rural New York:

> Work experience is viewed as a positive component in Franklin County, and the new restriction limiting CWEP to six months is not viewed favorably. CWEP here is seen as an opportunity for someone to work, to make a contribution to society—and for some people, it may be the only way they will ever be able to make a contribution in the world of work. In a community with limited employment opportunities, CWEP may offer the only possible employment for those with few marketable skills and limited abilities.

States with alternative work experience programs have avoided the restriction on the number of hours of work under CWEP, whose limit equals the amount of the welfare benefit divided by the minimum wage. For example, the Oklahoma sites scheduled work experience for a minimum of 20 hours per week, and up to 40 hours per week in some cases, while the welfare grant would have restricted some families to fewer hours under CWEP. The maximum AFDC benefit paid by Oklahoma to a three-person family in January 1991 was $341 (U. S. House Ways and Means Committee, 1992), which, divided by the minimum wage of $4.25, would limit participation in CWEP to 80 hours of work per month, or about 20 hours per week. Individuals in smaller families could not be scheduled for 20 hours per week if the state followed the rules governing CWEP, and only individuals in very large families could be scheduled for 40 hours per week.

On-the-Job-Training

All ten states elected to offer on-the-job training as an optional component in implementing JOBS, and six states expected to devote some of their JOBS funds to this activity. In practice, as seen in tables 7 and 8, the local sites were referring virtually no JOBS participants to on-the-job training programs. Most sites were relying on the JTPA to

arrange this training for JOBS participants, but sites were placing few individuals in this component even where the JTPA operated JOBS. Several field associates noted that some SDAs no longer offer on-the-job training as a component of their regular JTPA programs. One field associate attributed the infrequent use of on-the-job training in the rural site to both a lack of employers and to one major employer's failure to retain workers after the training subsidy ended.

Work Supplementation

In implementing JOBS, four states—Oregon and the three states where the welfare agency took the lead—elected to operate work supplementation programs. All of th_se states, as well as Maryland, had introduced a work supplementation program under earlier legislation, although they generally did not engage in grant diversion statewide. JOBS has not encouraged states to expand their use of this option: only one site in the study had more than a few participants in work supplementation, and this site was placing fewer individuals in supplemented jobs than it had before JOBS was introduced.

The one site where work supplementation appeared to be firmly in place is Oneida County (Utica) in upstate New York.

Oneida County, New York. Oneida County began its grant diversion program in the mid-1980s, when New York State permitted its counties to operate the Training and Employment Assistance Program (TEAP), a program designed to finance on-the-job training by grant diversion. JOBS implementation enabled the county to continue using grant diversion as a source of funding for on-the-job training and resulted in few changes in the purpose or operation of TEAP . However, the restriction of grant diversion to support newly created jobs resulted in a drop in the number of placements, which stood at 19 individuals, or 3 percent of the JOBS caseload during the period of the study.

The JTPA operates TEAP for the welfare agency under an agreement in which the JTPA donates staff time to TEAP in exchange for obtaining credit for the resulting job placements. A JTPA staff member is stationed at the welfare agency office, located in the county building along with the JTPA, to interview clients, contact employers, write contracts with employers specifying the terms of the placement, monitor participation, and write the voucher for payment to the employer.

Operationally, the program is straightforward. The number of weeks of on-the-job training appropriate to the particular job placement is determined by its occupational title according to the standard rules of the JTPA, although this period may be lengthened for especially disadvantaged individuals. OJT placements range from one to six months, with an average duration of about five months. As in other OJT programs, the total payment to the employer is 50 percent of the wage paid in the occupation. A fixed amount of the welfare grant, $250 per month, is used to finance this 50 percent; if the $250 payment covers less than 50 percent of the wage, the JTPA finances the balance. When the recipient joins the employer's payroll, the welfare agency recalculates the amount of the welfare benefit to reflect the new earnings, continuing Medicaid eligibility until coverage under the employer's health insurance plan is established.

Employers are paid in a single lump sum at the completion of the contract. Although JTPA staff monitor attendance monthly, the delayed lump-sum payment enables the JTPA to ensure that the terms of the contract are fulfilled and simplifies the process of transferring funds from the welfare agency to the employer. As might be expected, employers find the delay in payment to be an unattractive feature of the program.

With the exception of Oneida County, where participation in the grant diversion program declined after JOBS implementation, the sites were not taking advantage of the work supplementation option in JOBS. The field associates attribute the minimal use of this component to the behavior of the agencies operating JOBS and of potential employers.

One set of explanations centers on the inability or reluctance of employers to participate in the work supplementation program. In a period of recession or slow economic growth, the restriction to newly created positions limits the number of jobs that can be subsidized. Moreover, with a high unemployment rate, the pool of unemployed workers competing for the available jobs contains individuals with considerable education, skills, and recent work experience. In addition, the field associates reported that many employers do not wish to fill their new jobs with welfare recipients. The subsidy of the welfare grant is insufficient to compensate them for the extra cost of hiring individuals lacking work experience and skills or to overcome the stigma associated with public assistance.

Another set of explanations implicates the federal regulations governing the administration of JOBS and the work supplementation component. Staff in some agencies operating JOBS argued that work supplementation is cumbersome to administer, with complicated rules for calculating the amount of the grant to be diverted and the remaining grant, if any, to be paid to the recipient. Both agencies and employers argued that the monitoring requirements are time-consuming and that the costs of supervision impose an additional burden on staff.

But Oneida County's experience illustrates that a work supplementation program is feasible to administer. While a flat diverted grant limits flexibility and may reduce the program's attractiveness to employers, it avoids the complications of calculating the amount of the diverted grant that appear to have discouraged other sites from pursuing this option. In addition, the program was sufficiently rewarding in terms of job placements to warrant the dedication of staff by the JTPA, despite a slowly growing economy and considerable unemployment in the Oneida region.

Work Programs and On-the-Job Training: Summary

Looking across the local sites, we can see clearly that they have not expanded their use of the three JOBS components designed to create opportunities for work. No site made significant efforts to expand its work experience program, while some even cut back these efforts, and very few individuals were participating in on-the-job training. Despite the potential for reducing welfare costs over the long run, welfare agencies did not generally view work supplementation as worth the time and trouble it appears to entail. Compared to the development of job readiness and education services and, in selected states, job skills training programs, sites have focused less attention on the direct creation of job opportunities in implementing JOBS.

SELF-INITIATED EDUCATION AND TRAINING

In Michigan, New York City, and several rural areas, large percentages of participants were in self-initiated activities, which served several purposes in JOBS. Although Michigan did not formally offer post-secondary education as a JOBS component, post-secondary education was permitted as a self-initiated activity, and many JOBS participants took advantage of this opportunity. In New York City, the welfare agency paid the training-related expenses of individuals who enrolled themselves in school or training programs prior to JOBS and continued this policy, classifying them as self-initiated JOBS participants. The city was developing new JOBS components, but the time needed to build these components and a lack of funds forced the city to rely on individuals in self-initiated activities to meet the federally mandated participation rate. Self-initiated activities were also important in the rural areas of Oregon and Tennessee, where few services were arranged for JOBS participants.

DISCUSSION: INFLUENCES ON THE MIX OF JOBS SERVICES

JOBS implementation is an incremental process: states have built JOBS upon the welfare employment programs introduced under the options permitted by the 1981 WIN Demonstration amendments and subsequent legislation. Six states—Maryland, Michigan, New York, Oklahoma, Oregon, and Pennsylvania—took advantage of these options to create programs that, with the added requirements and resources of the Family Support Act, were modified and expanded to become their JOBS programs. Mississippi, Tennessee, and Texas had not developed this foundation and so had much less initial capacity for operating the pro-

gram. In addition, as shown earlier, these states chose to appropriate relatively small amounts of new funds in implementing JOBS. These two factors—previous experience in operating welfare employment programs and funding—are major determinants of the capacity of the local sites to offer JOBS services to their caseload and of the patterns of participation seen in Tables 7 and 8.

Looking across the sites, it is clear that JOBS encouraged states to focus more effort on programs that enhance human capital investment than on activities emphasizing immediate labor force attachment. In expanding their welfare employment programs, states gave more attention to accessing services designed to increase earning capacity than to moving people into immediate employment. Of the human capital services, education is most important: states devoted additional resources to basic education, and many drew upon public schools and post-secondary schools for educational services. Maryland, Michigan, and Pennsylvania appear to have made greater efforts than the other states to provide job skills training.

Of the JOBS components designed to move people into the labor force, job search was by far the most common activity of participants, followed by work experience. It is less clear, however, that JOBS implementation increased the capacity of welfare agencies to provide job search and work experience programs. While Texas contracted specifically for job search services, other states appear to have made few efforts to expand their capacity to deliver these types of services. In Michigan and Tennessee, field associates reported a slight retrenchment in the use of job search, a response to the states' decisions to drop the job search requirement as a condition of eligibility for welfare—a requirement imposed by the WIN Demonstration program—and to honor the preferences of recipients for education and training. Participation in on-the-job training and work supplementation programs was extremely infrequent in almost all the sites.

The Importance of Infrastructure and Information

The emphasis on education clearly stems from the provisions of the Family Support Act that strongly encourage education for individuals who have not completed high school and that permit post-secondary education for high school graduates. Because many recipients lack basic reading and math skills or have not graduated from high school, basic and secondary education is appropriate for a relatively large share of the JOBS caseload. Many sites also view education as appropriate for individuals who have graduated from high school and wish to attend college in order to increase their potential earning capacity. Hence, both the

provisions of the legislation and the characteristics and preferences of the caseload contribute to the referral of large numbers of JOBS participants to education.

Our review of the experiences of local sites suggests several additional explanations of the large numbers of JOBS participants who engaged in an educational activity. One factor that facilitated this emphasis on education is the existing educational infrastructure. Schools and colleges in the community must serve qualified JOBS participants on a non-reimbursable basis, so that the JOBS agency can access their programs without spending their limited JOBS funds. In addition, many educational institutions are willing to provide JOBS services in exchange for payment. As illustrated earlier, a variety of institutions, including public school districts, vocational/technical schools, and community colleges, developed programs exclusively for JOBS participants in return for some form of financial reimbursement. Their rapid response during the initial phase of JOBS implementation suggests that they would be willing to expand their programs further if additional funds were available.

We speculate that another underlying cause of JOBS participants' frequent enrollment in education stems from the information requirements of operating the program. Agencies need information about the needs and abilities of individuals in order to design their JOBS program and to assign individuals to education, training, and employment services. In addition, agencies must monitor the participation of individuals in these programs, collecting the information needed to demonstrate to the federal government that the state is meeting the federal mandates for participation and targeting. Obtaining the information required for these purposes is costly, and agencies' efforts to limit these costs may have influenced the structure of their JOBS programs.

As we argued above, agencies opted to create programs exclusively for JOBS participants, rather than mainstream them into the programs of other organizations, in part because monitoring participation in tailored programs is comparatively easy. Agencies may also have created programs appropriate for a large share of the caseload, e.g., job readiness activities and basic education, in part to limit the information that must be gathered during the assessment. Less information must be collected about the needs and abilities of a recipient in order to refer her to one of these broad-spectrum programs than would be needed to refer her to a program that might meet her needs or preferences more precisely. As stated by one field associate, "It seemed that 'school' was the least complicated and time consuming option for both the case manager and the participant."

In contrast, many sites chose not to develop the capacity to operate work programs, including work experience, on-the-job training, and work supplementation. Such choices are explained in part by state and local political values regarding the rights and obligations of welfare recipients, that is, whether individuals should receive welfare as an entitlement or whether they should work in exchange for welfare benefits. In addition, some sites were influenced by concerns that work experience programs and work supplementation would displace regular public or private sector employees over the long term. These public attitudes present states with tradeoffs that will become increasingly difficult as more recipients complete their education and training programs and are ready to enter the labor force.

We speculate that information requirements may also have limited the use of work programs and help to explain the limited emphasis on job development and job placement as well. All of these employment activities require information from a large number of potential employers, a task that requires a trained staff dedicated to this effort and a system for informing the staff about available employment opportunities. With the clear exception of the sites in Oklahoma, most sites assigned few or no staff members to establishing the network of contacts with public and private employers necessary to operate these programs. Instead, most lead agencies emphasized services that could be provided in-house or through contracts with a relatively small number of service providers, limiting the number of contacts with other organizations and the cost of obtaining information about their activities.

In deciding where to locate staff responsible for job development and placement and for operating work programs—in the welfare agency, the employment service, or JTPA—the cost of obtaining labor market information should be a relevant factor. The decision of many sites to give lead responsibility for JOBS to the JTPA agency could potentially permit JOBS to draw upon whatever information the JTPA collects from employers in the course of its programs. However, at the time of the study, the JTPA agencies appeared to be devoting most of their efforts to providing job readiness training, education, and job skills training while making relatively little effort to use their labor market information to connect JOBS participants with employers. Organizations that provided jobs skills training for the JTPA under performance-based contracts made efforts to place individuals in jobs, but the JTPA agencies themselves appeared to place little emphasis on job placement in most sites.

The Importance of Subsidies from Other Programs

Subsidies from other programs are critical in implementing JOBS, limiting the budgetary cost of the program to state governments under fiscal stress. But while the resources of other programs are vital to the states' implementation efforts, their use raises a managerial issue that the states have not, to our knowledge, addressed. When a JOBS service is provided by another program, the cost of this service to the JOBS program is less than its total cost. Moreover, the amount of the subsidy varies according to the type of service, so that the relative cost of services to the JOBS program is different from the actual relative cost. For example, job search is typically financed with JOBS funds, while higher education is financed through other programs, so that job search appears more costly to the JOBS program than higher education. Several field associates referred to higher education as a "low-cost service to JOBS," an inexpensive way for the agency to access a supply of services to meet its participation goals. To the extent that JOBS administrators choose among services based on their cost to the JOBS program, rather than their actual cost, these subsidies may discourage them from using the most cost-effective mix of services. In other words, subsidies may lead to more participation in the subsidized services than is warranted to achieve the goals of the program at the lowest cost to society as a whole.

Coordination requirements in the Family Support Act encourage welfare agencies to draw upon the resources of other programs to limit the cost of operating JOBS, while funding levels made coordination particularly necessary for some states in order to achieve the federally mandated participation rate. However, the subsidies from other programs prevent policy makers and administrators at all levels of government from being conscious of the total cost of JOBS services. The Family Support Act requires the development of performance standards in 1993, with performance to be measured in terms of outcomes rather than levels of activity or participation, as at present. If the cost of services is an element in the measurement of performance, the subsidies from other programs should be acknowledged in establishing these standards.

5. PROGRAMMATIC RESPONSES TO THE 20-HOUR RULE

States must achieve a minimum rate of participation in JOBS—seven percent of nonexempt recipients in 1990 and 1991 rising to 20 percent by 1995—to claim the full federal match for their JOBS expenditures. But beyond specifying the categories of individuals to be included in the numerator and denominator of the participation rate, the Family Support Act does not define the term "participation," leaving the definition to be written in the federal regulations. The Act states only that participation must be something more than merely registration for the JOBS program, an expression of Congressional intent that JOBS be a more meaningful program than WIN, which for many people was nothing more than a paper process of registering with the state employment agency for services that were never provided.

Federal regulations define participation in terms of a 20-hour-per-week standard. Each JOBS participant need not participate in the program for 20 hours per week, but states can count toward their participation rate only those individuals who, as a group, are scheduled for an average of 20 or more hours of JOBS activity per week. For example, if one individual is scheduled to participate for 15 hours and another for 25 hours, both can be counted toward the states's participation rate because they are scheduled for an average of 20 hours. But two individuals each scheduled for 10 hours a week cannot be counted as one participant; they can be counted only if two other individuals are scheduled for at least 30 hours to balance the average of all individuals to 20 hours. In addition, the federal regulations require that individuals attend at least 75 percent of their monthly scheduled hours for their hours to contribute to the state's average (45 CFR 250.78).

Of all the federal JOBS regulations, the 20-hour rule provoked the most criticism and complaints by the state welfare agencies as they made their initial choices in implementing the program. States argued that the 20-hour-per-week standard would, given their limited resources for JOBS and the mandate to serve at least seven percent of the nonexempt caseload, force them to offer low-cost services. The standard would also limit their ability to offer services, such as higher education, that are typically scheduled for less than 20 hours per week. In addition, states argued that the rule would discourage them from serving individuals who are limited in their capacity and unable to handle 20 hours of activity in an education, training, or employment program. Finally, states questioned their ability to track and monitor the activities of individuals so as

to document their hours of participation and, once having documented their hours, to calculate the number of participants using the necessary averaging procedures.

Approaches for Meeting the 20-Hour Rule

As a result of the 20-hour rule, the local sites generally designed their new JOBS components to meet for at least 20 hours per week. For example, all contracts in New York City were for 20 hours per week of service, as were all job skills training contracts in New York's mid-sized Oneida County. All three of Tennessee's counties contracted, or were in the process of contracting, for at least one 20-hour program. In Mississippi, the small number of contracts for GED preparation classes were all for 20 hours per week. Less typically, sites extended the hours of service for some of their existing programs to meet the new rule. For example, in Michigan's rural Tuscola County, a life skills program operated by the school district, the only service funded through JOBS, was increased to 20 hours. In the mid-sized and rural sites of Maryland, adult education programs were established or extended to meet for 20 hours per week. In Texas, the JOBS funds earmarked for adult education were generally used to support 20-hour programs.

As discussed earlier, some of the sites designed programs consisting of multiple JOBS components combined together into an integrated package. While administrators considered these combinations as inherently worthwhile for clients, the 20-hour rule was a major impetus for developing them. The most common approach was to combine job readiness activities with other JOBS services, particularly job search. For example, the contracts with the Service Level I providers in Texas all required 20 hours per week of activities. Other sites integrated job readiness training into their basic education program, as SPOC frequently did in Pennsylvania. Oregon attempted to integrate job readiness activities into all other JOBS services, not necessarily to help with meeting the 20-hour rule, but clearly with the rule in mind. Other combinations were also created: for example, New York City designed programs that combined basic education or English language instruction with work experience.

Another approach was to assign individuals to multiple programs in an effort to provide a total of 20 hours of activity per week. A dual set of arrangements for participants is cumbersome for both staff and participants, and most sites attempted to avoid them. But for several groups, particularly students in college, where full-time attendance ordinarily entails only 12 to 16 hours in the classroom, dual arrangements were adopted in some sites. For example, the Community College

of Philadelphia used work-study and volunteer programs to fill in around its credit hour courses, especially for advanced students. In New York, one site assigned college students to unpaid work in the college library for several hours per week. Where SPOC mainstreamed JOBS participants into regular JTPA programs, both the mid-sized and rural sites in Pennsylvania sometimes used CWEP to fill in the gaps left by these programs. In short, all of these sites assigned participants to some form of unpaid work experience to reach 20 hours of weekly activity. In Sullivan County, Tennessee, directed study at employment and training centers enabled college students to be scheduled for 20 hours of activity per week.

Local Criticisms of the 20-Hour Rule

The 20-hour rule was criticized most strongly by administrators who originally planned to mainstream many JOBS participants into the activities created by other programs, particularly the JTPA. Administrators in these sites advocated for mainstreaming JOBS participants into other programs rather than designing programs exclusively for JOBS participants. Mainstreaming broadens the range of services available, they argued, while designing separate programs increases costs and runs the risk of stigmatizing recipients. But because many of these other programs did not meet for 20 hours, the rule confounded this central element of their strategy to implement JOBS.

Administrators in Maryland were particularly emphatic in expressing their frustration with the 20-hour rule:

> Arranging for separate ABE and skills training classes for welfare recipients is thought to run the risk of stigmatizing them, rather than integrating them into mainstream programs. Baltimore officials are most emphatic that the 20-hour rule will eventually force them to implement a "segregated" ABE program for JOBS participants, as well as establish a "separate but equal" set of job skills training contracts for them. However, they had not yet made changes to existing contracts to accommodate the 20-hour rule.

In general, rural areas with small numbers of participants were less likely than urban areas to contract for whole programs and more likely to mainstream participants into the programs of other agencies. For this reason, rural areas appeared to be having more difficulty in offering 20 hours of service than the urban and mid-sized sites. Administrators also cited the longer travel times for clients in rural areas, both to program sites and to child care providers. Because travel time may be quite substantial, but cannot be counted toward hours of participation, JOBS participants in rural areas may make a considerably greater time commitment to JOBS than participants in urban areas. As one field associate noted, "rural staff perceive that JOBS was designed with urban clients

and programs in mind, and that the 20-hour rule is arbitrary and capricious." While some rural JOBS administrators shared this view about the 20-hour rule, others had accommodated their programs to the rule and did not argue that is it burdensome.

Field associates reported few instances in which staff argued that the 20-hour rule diverted clients from services that staff believed would be beneficial, although this was noted in a few sites. In both the mid-sized and rural sites of Tennessee, the available literacy classes were run by volunteers and usually met only 3 hours per week. As a result, potential JOBS clients who needed literacy training were not enrolled in JOBS, but instead were referred to local literacy programs and told that they could return for JOBS services after they improved their reading and math skills. But because they were not enrolled in JOBS, they were not given child care and other supportive services. Significantly, some efforts were being made to resolve the problem: public schools in the mid-sized Tennessee site were exploring the possibility of creating an alternative high school with a strong adult basic education program, and the SDA in the rural site was contracting with the school district for a 20-hour GED program. Hence, although the 20-hour rule may have an adverse effect on individuals in the short run, it is achieving its purpose of placing pressure on sites to provide more intensive JOBS services.

In Maryland, particularly in Baltimore, program administrators argued that the 20-hour rule threatens to close off the existing JTPA education and skills training programs to welfare recipients. In Texas as well, the JTPA Private Industry Councils found the rule at odds with their traditional performance-based approaches to service delivery. According to the report of the field associate, "PICs and their providers, having developed a more private-sector mentality in a very outcomes-oriented environment, seem to be particularly frustrated with this rule." However, it is impossible to assess whether, in practice, the rule diverted potential participants from JTPA services that were scheduled for less than 20 hours per week.

Significantly, although some field associates acknowledged the added inconvenience to staff and participants of filling in around the limited credit hours in higher education, they did not report that individuals were being diverted from post-secondary education as a result of the 20-hour rule. With financial support from Pell grants and student loans, higher education is a low-cost service for the JOBS program and hence an attractive component. States appear to have increased the hours in some of their other programs to accommodate the small number of classroom hours in post-secondary education or, in fewer states, to have arranged filler activities for participants around their hours in the classroom. While

the 20-hour rule poses special problems in referring individuals to programs of higher education, the benefits of this service to the JOBS program, as well as to clients, appear to outweigh its disadvantages. Near the end of 1991, after the period of the field research, the Department of Health and Human Services ruled that study time or other out-of-class preparation time can be counted as program participation if it is scheduled and supervised (JOBS-ACF-AT-91-20), giving the states another option for accommodating to students in the classroom for less than 20 hours per week.

Several field associates noted that the 20-hour rule created problems for parents with children in half-day kindergartens and Head Start programs. Full-day child care is common for pre-school children, and elementary schools typically operate for a sufficient number of hours to permit parents to attend a JOBS activity for 20 hours per week. But half-day kindergartens and Head Start programs require that parents arrange for pre-school or after-school care, or both, and perhaps transportation as well. The inadequacy of half-day educational programs as a source of child care, a problem for many working parents, creates similar complications for welfare recipients who are expected to participate in JOBS.

Discussion: Advantages and Disadvantages of the 20-Hour Rule

The 20-hour rule has clearly placed new demands on the local sites and has been effective in encouraging many of them to increase the hours of their programs' activities beyond those provided under the WIN program. Hence, the research indicates that the federal intention to make JOBS a more intensive and meaningful program is being realized. However, as the mandated participation rate increases, states will be under greater pressure to spread their JOBS dollars among more participants and offer them lower-cost services. The effects of the 20-hour rule should be monitored as the mandated participation rate increases to ensure that the states' responses continue to accord with the federal intent.

One consequence of the 20-hour standard is that it discourages the mainstreaming of participants into other programs, while encouraging the creation of programs exclusively for JOBS participants. To the extent that JOBS participants benefit from programs tailored to their special needs, this is an advantage. To the extent that participants would reap greater benefits from a broader range of activities or from programs enrolling a broader group of individuals, and insofar as participants are intentionally or unintentionally diverted from these programs, the 20-hour rule is a disservice to JOBS participants.

Given sufficient funding and time to arrange JOBS services, the difficulties of meeting the 20-hour rule arise from the clients' circumstances, not from the inability of organizations to create programs that meet this standard. For individuals with multiple barriers caused by personal limitations or complex family circumstances, 20 hours of participation may be an unrealistic expectation. To the degree that the goal of JOBS is to serve these individuals, the 20-hour rule may run counter to one of the purposes of the program. But with a mandate to achieve only a seven percent participation rate, the sites have not formally addressed the issue of whether and how individual participation should be governed by the capacities of recipients. As the mandated rate of participation increases, the ability of clients to participate for enough hours to meet the rule may become a more pressing issue.

6. THE ROLE OF THE JOB TRAINING PARTNERSHIP ACT

In implementing JOBS, welfare agencies in virtually all of the sites drew upon the resources and experience of the Job Training Partnership Act program. In half of the sites, the local Service Delivery Area was the lead agency operating JOBS or one track of a two-track JOBS program. From our discussion of how the local sites accessed education, training, and employment services, it is evident that the JTPA was serving JOBS participants in the other sites as well, with the exception of Quitman County in rural Mississippi. It is equally apparent that the JTPA was more central to the JOBS program in some regions than in others.

This section discusses JOBS implementation from the perspective of the JTPA, summarizing some of the adjustments made by SDAs in response to the new program. In the six states where the JTPA provided JOBS services as a contractor to the welfare agency, local SDAs developed programs to address the particular needs of JOBS participants. While JOBS was a welcome source of funding for SDAs as contractors, SDA staff also learned that JOBS clients as a group are more disadvantaged than the typical JTPA client pool. JOBS participants' lack of preparation for the types of training and employment programs typically offered by the JTPA somewhat confounded the plans of the three states that expected to mainstream large shares of JOBS participants into their regular JTPA programs. The 20-hour rule defining participation in JOBS also interfered with plans to mainstream JOBS clients into regular JTPA programs.

In addition to acting as a contractor to the welfare agency, the JTPA served JOBS participants with its own resources. Although the JTPA programs in all states served many welfare recipients as regular JTPA clients, it is difficult to determine whether they devoted more or less JTPA resources to welfare recipients than they did prior to JOBS implementation.

The JTPA in An Integrated System

As a network of organizations with experience in delivering employment and training services, the JTPA has the capacity to serve as a contractor for services financed through JOBS. Only in Michigan, Mississippi, and Oklahoma did none of the local sites contract with the JTPA to purchase services for JOBS participants. In New York, Oregon, and Texas (for Service Level I clients), the JTPA was a contractor to the

welfare agency in selected areas of the state. In Maryland, Pennsylvania, and Tennessee, in contrast, the state welfare agency gave the JTPA responsibility for operating major components of the JOBS program statewide. The response of the JTPA as a statewide contractor is of particular interest, since integrating JOBS and the JTPA is an option worthy of consideration in future debates about welfare employment programs. This section examines the JTPA's response to JOBS in the three states where it served as the statewide contractor.

In these three states, the JTPA was a contractor to the welfare agency to provide all or most education, training, and employment services. In implementing JOBS, governors and other leaders in the states stressed the benefits of tight coordination among their states' employment and training programs, both for government management and for individual clients. Their vision and leadership were critical factors in forging the linkages among state agencies with traditionally different goals, constraints, constituencies, and clients.

To a greater or lesser degree, these three states intended to create a single integrated program by mainstreaming JOBS participants into the JTPA's regular education, training, and employment programs. In Maryland and Pennsylvania, JOBS funds followed clients who were mainstreamed into the JTPA's programs, supporting the SDAs with additional resources. In Tennessee, where the state legislature made small initial appropriations for JOBS, a substantial share of the funding for JOBS services was contributed by the JTPA. For this reason, the JTPA performance standards had greater force in Tennessee than in Maryland and Pennsylvania, giving the three states different incentives regarding whom to serve and the types of services to offer.

Of the three states, Maryland placed the greatest emphasis on the mainstreaming model in planning its JOBS program: with the exception of teenage parents, the welfare agency referred virtually all JOBS participants to the local SDAs, which established few programs exclusively for JOBS participants. The Tennessee welfare agency also referred all JOBS participants to the SDAs, but the SDA in the urban site designed several new programs exclusively for JOBS participants. The JTPA in Pennsylvania operated SPOC in a partnership with not only the welfare agency, but also with the education and labor agencies, and the SPOC members planned less mainstreaming to the programs of the JTPA than did state planners in Maryland.

Adjustments to More Disadvantaged Clients. At the local level in these three states, JOBS implementation demanded major adjustments by the Service Delivery Areas, probably more than originally anticipated by

state and local planners. JOBS clients are typically more disadvantaged than other JTPA participants, often without the education and motivation to undertake the job skills training traditionally offered by the JTPA:

> Philadelphia is the site where JTPA needed to make the most adjustments to conform with the JOBS/SPOC mandate. Over the last three years, it has shifted the emphasis of its programs and management style away from advanced training and performance-based contracting to facilitate serving greater numbers of welfare participants, a pool of individuals who are more difficult to place in jobs than the JTPA's traditional clients.
>
> In Maryland, in addition to the educational deficits of the caseload, a great many recipients are reported to have personal problems that are not adequately being addressed. A high percentage of nonexempt clients, perhaps as high as 40-50 percent, are judged by the intensive case managers at all three study sites to be suffering from alcohol and/or drug dependency.
>
> In two of the Tennessee counties, some of the SDA staff express concern about the motivation of AFDC recipients to participate effectively in JOBS services. They point to the difficulty some recipients have in turning loose of the "sure thing" of welfare and setting out to become self-sufficient. They also point to the threat recipients perceive about becoming "worse off" if they acquire low wage jobs but lose welfare and, after one year, Medicaid and child care benefits.

To serve JOBS participants, SDAs arranged a mix of services that differed somewhat from the services offered to regular JTPA clients. Many JOBS participants need basic literacy and math skills before they can be mainstreamed into the regular JTPA job skills training and on-the-job training programs. Field associates in all three of these states noted adjustments in the mix of services toward remedial education. The majority of sites made arrangements to increase the availability of remedial education, including literacy training, adult basic education, and GED training, and all sites placed more individuals in these types of programs. Sites that had not created remedial education programs for JOBS participants at the time of the study recognized the need for them and were in the process of arranging these programs.

In addition, the SDAs gave more attention to assessment and job readiness training for JOBS participants than for their regular clients. Job readiness activities have grown in importance in all of the sites in Pennsylvania and in the urban and mid-sized sites of Tennessee. The Maryland sites generally offered job readiness activities in combination with education or skills training, but Baltimore was establishing a stand-alone job readiness program for individuals who are judged to be not ready for skills training.

Start-Up Problems. The adjustments required by the SDAs were, perhaps, more than administrators bargained for when they took responsibility for operating JOBS. JTPA administrators in Maryland expressed

more frustration to the field associate about the federal laws and regulations governing JOBS than did administrators in the other states. The 20-hour rule, in particular, limited their ability to mainstream JOBS participants into regular JTPA skills training programs. Moreover, SDA administrators in all three Maryland sites believed that funding levels were insufficient to enroll clients in meaningful programs of remediation and skills training, and they were further disheartened by the prospect of shifting to lower-cost services as the federally mandated participation rate increases. Although SDA administrators believed that funds were inadequate, JOBS expenditures per participant were probably higher in Maryland than in any of the other states, with the possible exception of Oregon.

JOBS implementation appears to have caused fewer transition problems for the JTPA in Pennsylvania than in Maryland, perhaps because SPOC was a team effort. The JTPA was assisted by the welfare, labor, and education agencies in a well-coordinated service delivery effort. Moreover, in Philadelphia, where the greatest adjustments by the JTPA were necessary, the JTPA played a smaller role in SPOC than in the other two sites. In addition, the JTPA in Pennsylvania is responsible for only one track of a two-track program, the voluntary SPOC track, a strategy that funnels a more motivated and perhaps less disadvantaged pool of clients to the JTPA. But even within SPOC, administrators saw the need for more emphasis on remedial education and less on job skills training. In one site, for example,

> the director of the education and training agency expressed the fairly strong opinion that the SPOC program would work more effectively if more emphasis were placed on intensive up-front services for a wider group of clients even if this meant pulling some funds out of training activities. This view was also expressed by staff of the welfare agency. Both groups felt that more emphasis should be placed on bringing reading skills up to an acceptable level as a required first step; SPOC currently encourages this but does not mandate education as an initial service.

For the JTPA in Tennessee, the first nine months of JOBS implementation were described by the field associate as a "shakedown period" in all three sites. Contracts with training providers were not completed until after the program was to have begun and other types of "debugging" were necessary to resolve problems with data collection procedures and communication among agencies. "It takes time to reshape a program that had been focused primarily on other client groups." Moreover, in making these adjustments, the sites were severely hampered by limited resources for both staff and JOBS activities.

In addition to the lack of funding, the JTPA in Tennessee faced a constraint that was less important in Maryland and Pennsylvania.

Because JTPA funds were a primary source of support for JOBS in Tennessee, all JOBS participants automatically became JTPA participants and were subject to the JTPA performance standards. In implementing JOBS, the need to meet the JTPA performance standards with very limited funds led the state to limit participation to volunteers and, at least in the early months, to recruit individuals with the best prospects for success. As a result,

> in all three Tennessee counties, the JOBS program is serving primarily those who are most ready to benefit from education and training. The more educationally deficient clients, many of whom have significant personal limitations and/or serious family programs, have not been the focus of the JOBS program in these three counties, even though clients in those groups were intended by Congress to have priority for JOBS services.

Looking across all the sites in which the JTPA was a contractor to the welfare agency, including the sites in New York, Oregon, and Texas, we observe organizations that were willing to make adjustments to serve JOBS participants when new funding became available. Some JTPA organizations shared the entrepreneurial spirit of their Private Industry Council, welcoming JOBS as an additional source of funds to expand their employment and training activities. Others were motivated by cuts in JTPA funding that occurred as the national unemployment rate rose and JTPA funds were reallocated among the states, encouraging the PICs to look for alternative sources of funds to compensate for these losses. With funding from JOBS, they often created separate programs designed to meet the federal JOBS mandates, rather than mainstreaming all recipients into their regular JTPA programs. The creation of separate programs was motivated in part by the 20-hour rule, but was also due to the need of many JOBS participants for remedial education and job readiness training.

JTPA Services on a Non-Reimbursable Basis

As the primary source of federal support for training disadvantaged individuals, the resources of the JTPA are available for AFDC recipients to supplement the services funded through JOBS. Several provisions of the JTPA legislation create strong incentives for Service Delivery Areas to serve welfare recipients. AFDC recipients in an SDA must be served on an "equitable basis" equal to their proportion in the area's disadvantaged population. In addition, states have the option of using six percent of their JTPA Title II-A funds, which the Act targets at disadvantaged youths and adults, to provide incentives for their SDAs to serve "hard-to-serve" individuals such as welfare recipients. States must also use eight percent of their Title II-A funds for education and for facilitating coordination between education and training services.

The Family Support Act permits welfare agencies to use JOBS funds to purchase services from the JTPA, but only to the extent that JTPA resources are not available to JOBS participants on a non-reimbursable basis. This restriction prevents welfare agencies from using JOBS funds to purchase services from an SDA that is not already serving AFDC recipients on an equitable basis. Furthermore, this restriction means that JOBS funds can only be used to purchase services in addition to those already being provided by the JTPA, thereby preventing JOBS funds from supplanting JTPA resources devoted to AFDC recipients.

Whether JOBS implementation encourages the JTPA agencies to increase or decrease the JTPA resources allocated to welfare recipients is a critical question. Because the Title II-A programs of the JTPA can offer most JOBS components as well as supportive services, they can potentially supplement the resources available to welfare recipients beyond those provided by JOBS. On the other hand, state and local JTPA agencies may respond to the availability of JOBS services or funding by diverting JTPA resources from welfare recipients to other groups, despite federal prohibitions against supplantation.

Prior to JOBS, the JTPA programs of the study states made widely varying efforts to serve welfare recipients. In the JTPA program year July 1988-June 1989, before JOBS was implemented, the fraction of adult JTPA participants who were welfare recipients ranged from 50 percent in Maryland to 19 percent in Texas and 18 percent in Oklahoma. At that stage in the evolution of the JTPA program, the federal incentives to encourage SDAs to serve welfare recipients had been more effective in some states than others, raising questions within the JTPA system regarding the adequacy of its efforts to serve disadvantaged individuals (JTPA Advisory Committee, 1989). Two years later, in July 1990-June 1991, the differences in the states' efforts persisted, but the fraction of adult JTPA participants who were on welfare had increased in all states except Michigan and Mississippi. Particularly large increases occurred in Maryland and Oklahoma.

The extent to which local Service Delivery Areas serve welfare recipients varied considerably among the sites, as shown in table 12. In the SDAs of the northeastern and midwestern states—New York, Pennsylvania, Maryland, and Michigan—a higher proportion of JTPA participants were on welfare than in the other states. In many of the SDAs in the northeastern and midwestern states, over half of JTPA participants were on welfare; in the remaining states, the share of JTPA participants who were on welfare was more likely to be in the range of 15 to 30 percent. But several caveats are necessary in interpreting these data. First, Mississippi, Oklahoma, Tennessee, and Texas do not operate statewide

Table 12. Participation in JTPA Title II-A Programs by Adults on Welfare

State	Site	July 1989–June 1990 Participants on Welfare Number	Percent of all participants	Percent of welfare participants on AFDC[1]	July 1990–June 1991 Participants on Welfare Number	Percent of all participants	Percent of welfare participants on AFDC[1]
Maryland	Baltimore	3,019	58	93	2,979	58	93
	Anne Arundel	195	56	90	245	71	99
	Dorchester[2]	210	74	98	55	32	100
Michigan	Wayne	887	28	58	1,487	52	53
	Kalamazoo	233	50	69	277	50	58
	Tuscola[2]	222	51	70	117	40	72
Mississippi	Hinds[2]	154	25	100	72	16	100
	Harrison[2]	152	17	98	204	19	100
	Quitman[2]	1,876	20	100	1,513	19	100
New York	New York City[3]	5,639	35	71	4,095	34	59
	Oneida[2]	538	66	71	537	65	81
	Franklin[2]	56	39	73	63	39	59
Oklahoma	Tulsa	332	27	100	383	36	100
	Carter[2]	131	16	100	132	24	100
	LeFlore[2]	152	24	100	169	30	100
Oregon	Springfield[2]	127	26	68	247	44	41
	Medford[2]	173	30	42	61	15	75
	Lagrande[2]	68	30	100	66	28	96
Pennsylvania	Philadelphia	1,737	56	69	1,509	75	82
	Blair[2]	294	30	67	445	36	74
	Clinton[2]	518	48	65	456	52	67
Tennessee	Davidson	241	63	97	250	56	98
	Sullivan[2]	97	23	99	157	27	100
	Gibson[2]	276	18	37	412	30	100
Texas	Harris	1,179	18	99	1,235	24	99
	Nueces	181	20	100	180	22	100
	Bee[2]	189	23	99	137	27	100

[1] Information on the type of welfare received by JTPA participants (i.e., AFDC, general assistance, or refugee assistance) is available only for terminees from the program.

[2] The Service Delivery Area is larger than the local study site; for this reason, data are not comparable to those in Tables 6-8.

[3] Data are for the 78 percent program only.

Sources: Private Industry Council or other administrative entity of the Service Delivery Area containing the study site.

general assistance programs for working poor families and single individuals. In states where higher proportions of JTPA participants are on welfare, a lower proportion of the welfare recipients are AFDC recipients; recipients of general assistance and assistance to refugees are also being served by the JTPA. In other words, the differences in the extent to which SDAs in different states serve AFDC recipients are smaller than the differences in the extent to which they serve the broader group of all welfare recipients. Second, in states with lower AFDC benefit levels, a smaller share of the disadvantaged workers to be served by the JTPA are welfare recipients than in states with higher benefits.

In almost all sites, SDAs were serving more AFDC recipients than required in order to meet the "equitable basis" rule, and some sites exceeded this target by a very substantial margin. One exception is the Medford site in Oregon, where about 15 percent of JTPA participants were AFDC recipients, less than the 20 percent called for under the equitable basis rule. The SDA in Medford was taking corrective measures to increase enrollment of welfare recipients, and the state was monitoring its progress. Although most sites were serving recipients on an equitable basis, the generosity of each state's welfare benefits influences the proportion of an area's disadvantaged population that is dependent on welfare. This means that the equitable basis rule holds sites to different standards regarding service to low-income families with children.

Finally, JTPA data do not report the type of service provided to welfare recipients, so that no information is available about the mix of high- and low-cost services offered to them. Potentially, the JTPA could serve more welfare recipients, but offer them low-cost services, thus increasing participation without increasing the overall share of resources devoted to AFDC recipients. The information from the field associates offers limited insight into the mix of services the JTPA provided to welfare recipients. Many field associates reported that the JTPA was an important source of skills training for JOBS participants, but that it offered them virtually no on-the-job training. Field associates in Mississippi and Texas reported that the JTPA was a source of assessment services and remedial education, while several field associates reported that the JTPA provided job search for welfare recipients. Hence, the JTPA offered both high- and low-cost services to JOBS participants, but the relative emphasis on high- and low-cost services is unknown.

Except for Tennessee and Maryland, the field associates did not report noticeable changes in the share of JTPA resources devoted to providing employment and training services to AFDC recipients. In some sites

where the JTPA was the lead contractor for JOBS—in Maryland, Oregon, and New York's Franklin County—SDA staff noted that the JTPA was subsidizing part of the administrative cost of the JOBS program. JTPA staff in Mississippi also noted the additional administrative work involved in serving JOBS participants, although they expected this would decrease as JOBS becomes more established. The Pennsylvania field associate recognized the difficulty of determining whether the JTPA is devoting more or less of its own resources to AFDC recipients, but speculated that

> the major JTPA role in SPOC at all of the sites may be having the effect of limiting the extent to which the JTPA serves JOBS clients on a non-reimbursed basis. It is hard to evaluate this issue, since JTPA served significant numbers of AFDC clients prior to JOBS. However, there does seem to be an unspoken sense by JTPA workers that SPOC satisfies any obligations the program has for serving welfare clients.

It is equally difficult to assess how the JTPA performance standards influence the extent and mix of JTPA services offered to welfare recipients. Several field associates reported that the JTPA performance standards discouraged the JTPA from serving JOBS participants, but the evidence is not strong enough to reach a conclusive overall judgment about the impact of the standards.

The JOBS program also provided several types of benefits to the SDAs in meeting the goals of the JTPA program. In many sites, JOBS funded child care and other supportive services for participants in the JTPA's programs and enabled the JTPA to focus its own resources on education, training, and employment services. In addition, some JTPA staff argued that transitional child care will improve job retention and thus assist the JTPA in achieving its job placement goals. Finally, JOBS can assist the JTPA in making job placements by providing recipients with education and training services and, when they become job ready, referring them to the JTPA for job search assistance. At least one SDA used JOBS participants to guarantee the generation of job placements, funding a job club for welfare recipients that enrolled them in the JTPA program only if they were successfully placed in a job. However, it is difficult to assess the extent of this type of "gaming" of the JTPA performance standards.

Implications for Program Integration

As the experiences of Maryland, Pennsylvania, and Tennessee demonstrate, it is feasible to integrate the operation of the JOBS and JTPA programs. All sites in these states have made adjustments to serve JOBS participants and plan to make further adjustments in the future; they have the capacity to serve this group if sufficient time and resources are

available. Maryland encountered problems because it overestimated the extent to which welfare recipients could be mainstreamed into regular JTPA programs, learning instead that the characteristics of the caseload and the 20-hour rule require more programs tailored to the needs of JOBS participants and the federal mandates of the JOBS program.

On the one hand, program integration offers benefits to government, including administrative efficiencies from specialization, economies of scale, and improved coordination and communication. Program integration also potentially increases the range of services available to JOBS clients, particularly the variety of skills training programs. On the other hand, the sites' experiences in attempting to mainstream large numbers of JOBS participants into regular JTPA programs demonstrates that JOBS participants are typically more disadvantaged than other JTPA participants. In part, they are more disadvantaged because the goal of JOBS, with its emphasis on service to the target groups, is to enroll people who otherwise might not participate in the JTPA program. Hence, an integrated program that preserves this goal must allow for the greater needs of welfare recipients and offer incentives for the JTPA agency to provide the range of services that address their needs.

7. PARTICIPATION IN JOBS: MANDATORY VERSUS VOLUNTARY

The obligation of welfare recipients to participate in a welfare employment program, or to accept a job if one is available, was a prominent theme of many advocates for the Family Support Act. The National Governors' Association, a promoter of the Act under the leadership of then Governor Bill Clinton, argued for a program "that conditions the right to benefits on the assumption of personal responsibility to pursue a path to independence, through education, training, and work" (National Governors' Association, 1987, p. ix). Conservatives and liberals alike proclaimed a new consensus on the direction of welfare reform, one based on the mutual obligations of government and welfare recipients: government has an obligation to provide cash assistance and programs that enable recipients to become selfing-supporting, while recipients have an obligation to participate in these programs (Novak, 1987). Finally, an author of the Family Support Act, Senator Daniel Patrick Moynihan, has long recognized that any proposed reform of the welfare system must include requirements that recipients work or prepare for work as a condition of Congressional approval, and he added his voice to the call for mutual obligation (Moynihan 1973; Moynihan, 1990).

The Obligation of Welfare Recipients

The Family Support Act is not the first federal legislation to require states to impose on welfare recipients an obligation to work or prepare for work. To assure participation in the WIN program, the welfare agency was required to provide for the "prompt referral" of each appropriate recipient to the agency operating the WIN program. The law also authorized fiscal sanctions, through reductions in welfare benefits, on individuals who refused without good cause to participate in WIN or accept employment (P.L. 90-248, Sec. 204). Congressional dissatisfaction with the growth in welfare caseloads prompted amendments in 1972 to further encourage work effort. These amendments were designed to speed referrals to the WIN agency by requiring that "every individual, as a condition of eligibility for assistance, shall register for manpower services, training, and employment" (P.L. 92-223, Sec. 3). AFDC benefits could not be provided until registration was completed. Work tests were also contained in the welfare reform proposals of Presidents Nixon and Carter, who considered them necessary to build support for their proposed liberalizations of the income maintenance system.

Like the WIN program, the Family Support Act gives states the authority to require that all recipients participate in JOBS unless they are exempt due to age, illness, responsibility for the care of a young child, or other specific factors. The Act specifies that all nonexempt recipients must participate, provided that child care is available, that the program operates in the political subdivision, and that resources permit. To encourage participation, the Act authorizes the states to impose fiscal sanctions on individuals who are required to participate, but refuse to do so without good cause. The broad participation mandate and the threat of sanctions give states the authority to operate programs that are mandatory for nonexempt individuals. As shown in table 6, about half of the AFDC cases in the local sites contain such individuals.

Along with the provisions that authorize mandatory participation are others that encourage the enrollment of volunteers. The Act requires that individuals who are exempt from JOBS be allowed to volunteer for the program. In addition, the Act recognizes that states may not have sufficient resources to serve everyone who is nonexempt, and it permits states to set priorities for participation. If states set priorities for enrollment among the target groups, volunteers must be given first consideration. Taken together, these provisions give states the option of operating a program that relies partly, or even solely, on the enrollment of volunteers.

State Policy Choices

In implementing JOBS, most states developed policies that encouraged local welfare agencies to give high priority to volunteers in enrolling individuals into the program. Tennessee, with extremely limited state funding for JOBS, developed a formal policy of limiting enrollment to individuals who volunteered for the program. Pennsylvania did not have an explicit policy of limiting enrollment to volunteers, but enrollment in the SPOC track, which absorbed a large share of the state's JOBS funds, was entirely voluntary. Mississippi and New York gave priority to volunteers, while Maryland, Michigan, Oklahoma, and Texas gave priority to volunteers, but took into account target group status as well. Only in Oregon were priorities established that did not give volunteers the highest priority for service.

But state policies that give priority to volunteers do not necessarily remove the pressure to participate from other individuals. If too few individuals volunteer for JOBS to meet the state's participation goal, participation must be mandated for some or all of the remaining caseload. In addition, a policy of limiting enrollment to volunteers does not necessarily remove the threat of fiscal sanctions for failure to participate. For example, Tennessee's policy did not penalize individuals who refused to

enroll in JOBS, but once a volunteer enrolled, continued participation was mandatory, and sanctions could be imposed on individuals who dropped out of the program. Similarly, a state policy requiring participation does not imply that all people in fact participate. Participation cannot be mandatory for all nonexempt participants unless sufficient resources are available to serve them all, and no state was funding the JOBS program at this level. For these reasons, our examination of state policy choices led to the conclusion that none of the state's programs can be classified as purely voluntary or strictly mandatory, but that they fall along a continuum between voluntary and mandatory.

The field research sought to determine how the participation mandate is being put into operation at the local level as agencies process JOBS clients through the program. How much pressure is placed on AFDC applicants and recipients to enroll in JOBS and to continue to participate? Is the degree of pressure the same for all individuals, or does it vary from one group to another? This section begins with a description of the procedures used by the welfare agencies to enroll individuals in the JOBS program and a comparison of the agencies' priorities with those established by the states. It then describes the compliance of clients with the agencies' efforts to enroll them in the program. Finally, we present the available information on how agencies have responded to noncompliant clients by imposing fiscal sanctions.

Intake into JOBS

Many sites began the process of enrolling individuals into the JOBS program with a "call-in" to the welfare office. Most typically, the welfare agency sent nonexempt recipients a letter requesting that they report to the welfare office to participate in an orientation to learn about JOBS and their possible participation in the program. Depending upon how much information the welfare agency provided about JOBS at the time of application or recertification for welfare, they were given a more or less extensive orientation to the program. Some offices also used this first visit to conduct an assessment or, where the assessment was performed by another agency, to do an initial screening. Most agencies paced their call-ins to match their capacity to offer the orientation and to deliver JOBS services.

Some sites did not use a call-in, although the reasons for using an alternative procedure to enroll clients vary. Some avoided the use of a call-in by giving individuals the orientation to JOBS when they applied for assistance or when their eligibility and benefits were periodically recertified. In Tennessee, for example, the income maintenance workers provided the orientation as part of the application and recertification

process. Because participation in JOBS was voluntary, individuals were encouraged to enroll and were referred to the JTPA agency if they chose to participate. In other sites, such as Oneida County, New York, the income maintenance workers referred applicants and recipients directly to the welfare agency's JOBS unit when they came in to apply or to be recertified. The JOBS unit generally determined whether they were exempt, gave them information about JOBS, and made an appointment for them to return for an assessment.

Where the lead responsibility for managing and delivering services had been transferred to another agency, some welfare agencies informed potential participants about JOBS when they applied for assistance and then referred them directly to the lead agency. Other welfare agencies referred recipients to JOBS gradually, as permitted by the resources of the welfare agency and the lead JOBS agency. In this situation, the welfare agency had to choose which potential participants were to be referred for service and the order in which they were referred.

Universal enrollment. Some sites called in or referred to the JOBS agency higher percentages of recipients than others. The welfare agencies in Maryland, Mississippi, and Oklahoma attempted to refer all nonexempt recipients to the JOBS program. In the Maryland sites, where the SDAs operated the program, the welfare agency referred recipients to the SDA gradually, as places in JOBS activities became available. Waiting lists in all three sites meant that only the clients who were next in line to participate were referred to the program. But Maryland's JOBS program had been in operation since October 1989, and most nonexempt recipients had been given the opportunity to participate. Baltimore was going through the second round of enrollment, seeking to enroll individuals who had not been successfully enrolled the first time. New nonexempt recipients were automatically referred to the SDAs.

The Mississippi welfare agencies referred all nonexempt recipients to the community action agencies (CAAs), which were under contract to provide case management services. Case managers at the CAAs were responsible for performing the assessment, completing the employment plan, and referring individuals to JOBS services. However, the small state appropriations for JOBS provided very limited funds for hiring case managers, so that the number of case managers was inadequate to serve everyone who was referred to them. They were overwhelmed by the large number of referrals from the welfare agency and faced a backlog of unassessed cases. Because little funding was available to purchase education, training, and employment services, the case managers had few options to offer their clients, and so most program participants in the summer of 1991 were listed as being in assessment.

The policy in Oklahoma was to refer all nonexempt applicants and recipients to assessment and to a JOBS component. Oklahoma began the process of enrolling individuals in JOBS when they applied for assistance. When an applicant arrived at the welfare agency, she was asked to complete a self-assessment form while waiting for an interview with the AFDC worker. This self-assessment, which was the primary assessment used to develop the employment plan, immediately became part of her record. When her application for assistance was approved, she was called in to the welfare office for a review of the assessment and completion of the employment plan.

Unlike other states, state-level administrators in Oklahoma monitored the number of referrals that individual caseworkers made to the JOBS program. Monitoring referrals gave caseworkers a clear message about the importance of JOBS and encouraged them to refer large proportions of recipients. But caseworkers still appeared to retain considerable discretion in the referral process. As one caseworker put it, "There's no sense in making somebody go to orientation for work if they're not capable of going to work at this point." Another said, "They know which ones of us do referrals and which ones of us don't." Referral to JOBS was not universal, despite strong state encouragement. But the rate of participation in JOBS was higher in Oklahoma than in any other study state, due in part to beginning the assessment at the time of application for assistance and monitoring referrals to the program.

Selective enrollment. In the other states, enrollment was more selective, either because agencies selected certain individuals or because individuals were permitted to select themselves. In New York, where JOBS is administered by the counties, each county was using its own criteria for enrollment, resulting in selective enrollment at two of the three sites. The New York City welfare agency had little capacity to deliver services prior to JOBS and was phasing the program in gradually. At the time of the study, the agency had purchased a relatively small number of service slots and had obtained few commitments from other agencies to serve JOBS participants with their own resources. Because of limited services dedicated to JOBS participants and because child care was expected to be inadequate, the call-in of recipients was restricted to residents of two of the city's five boroughs, Manhattan and the Bronx. The city also restricted the call-in to individuals with school-age children, despite requirements in the Family Support Act and New York State law requiring that individuals with children age three years and over participate.

In contrast, mid-sized Oneida County, which had arranged more services relative to the size of its welfare population than New York City,

was not selective in referring individuals to JOBS. At intake and recertification, all applicants and recipients except those with obvious exemptions were referred to the JOBS unit in the welfare agency. In rural Franklin County, where JOBS was operated by the SDA, essentially the same procedures were followed. However, the SDA chose to divide the caseload into two groups—based primarily on the motivation of the client—and to focus it efforts on the more motivated individuals. This approach was viewed within the agency as stemming largely from its JTPA experience, where the goal was to meet performance standards. "The state gave us a strong message about the 55 percent targeting, the 7 percent participation rate and the 20-hour rule. These are the marks that go on our report card." Serving the most motivated was viewed as the best way of meeting the goals established under JOBS.

The state welfare agency in Oregon developed a priority ranking that divided clients into 10 groups and encouraged the local sites to be selective in referring individuals to JOBS. The priorities in the urban site reflected the state's priorities by focusing on teenage parents and the unemployed. The mid-sized city did not refer individuals who were in the low-priority groups and who faced multiple barriers to participation, and more than half of participants were volunteers. The rural site was creaming by locating "fresh" clients, those who had not been on welfare for many years or who had not already experienced failures or difficulties in welfare employment programs. Like the mid-sized city, it relied heavily on volunteers.

In Texas, the AFDC eligibility worker screened all potential JOBS participants to sort them into three service levels: Service Level I included individuals with a high school degree or recent work experience and no significant barriers to employment, who were therefore considered job-ready; Service Level II included individuals with nine to eleven years of education and no significant barriers to employment; and Service Level III included individuals with less than a ninth-grade education or significant barriers to employment. As discussed above, the welfare agency contracted with other organizations for the provision of services to the job-ready Service Level I individuals. The welfare agency case managers were responsible for assessing the Service Level II participants and referring them to other service providers. No services were provided to individuals in Service Level III; they were only given a packet containing information about other services available in the community.

The welfare agency gave the Service Level I contractors a list of the individuals who met the criteria for this service level, as well as the responsibility for calling in potential participants. The welfare agency

remained responsible for calling in the individuals assigned to Service Level II. The field associate reported various start-up problems during the call-in process. In Houston, for example, the Service Level I contractor, a for-profit firm, mailed its call-in letters from its national headquarters in Virginia. Welfare agency staff expressed concern about how recipients might interpret this out-of-state return address, fearing that recipients would think that the letter did not carry the full authority of the welfare agency or that they would think it was junk mail and throw it away.

Delays in hiring staff, changes in staff, reorganizations, and shifts in organizational responsibilities slowed the pace of the call-ins of individuals in Service Level II to below expected levels. At the time of the study, the Texas sites had not yet called in and assessed all potential participants. Large numbers of participants were entering JOBS as reverse referrals from other organizations, most typically the JTPA. While this pattern of entry into JOBS was not unusual—it occurred in virtually all the study states—it appears to be more common in Texas than elsewhere. Reverse referrals were especially common in the two larger sites, where the PICs actively recruited AFDC recipients in the welfare agency offices. This arrangement was viewed as less than satisfactory by both the welfare agency and the PICs. Welfare agency staff argued that reliance on reverse referrals interfered with their efforts to focus JOBS resources on the target groups, while PIC staff complained that recipients whom they referred to the welfare agency for supportive services often failed to return to the PIC for services—that they disappeared into the welfare agency as if into a "black hole." In addition, as discussed above, the welfare agency also recruited high school students into the program in a quick effort to meet the federally mandated participation rate.

Voluntary enrollment and caseworker discretion. In Tennessee and Pennsylvania, where state policy emphasized voluntary participation, enrollment was initiated in several ways. Income maintenance workers in Tennessee gave individuals information about JOBS and the opportunity to volunteer when they applied for welfare or were recertified. In Pennsylvania, participants in SPOC were selected by the case management team from among those who volunteered. For example, Philadelphia began the process by calling in a group of recipients to the welfare office, where the team informed them of the available services. When individuals volunteered, the team decided whether they would be served and which service was appropriate.

In Michigan, the income maintenance workers referred the names of potential participants to the MOST case managers, who then chose a certain number of individuals from the pool of names and called them in.

But the welfare offices lacked important information for choosing whom to call in: for example, they did not know which recipients were in the target groups. Some recipients were called in when the MOST worker learned of program slots and searched through the files looking for potential trainees. The majority of participants were volunteers, many recruited by schools and private proprietary organizations that enrolled recipients in their own programs and then referred them to JOBS for supportive services. These volunteers, who are counted as being in a self-initiated activity, were a significant share of participants in all Michigan sites. New applicants for assistance who did not have a high school degree were generally referred to an education program.

Local versus State Priorities for Enrollment

To what degree were the sites' priorities for enrolling individuals in JOBS the same as those established at the state level? Looking across the sites, we see that many sites were following their states' priorities closely. Where state policy emphasized voluntary enrollment, as in Pennsylvania and Tennessee, sites were relying upon volunteers to achieve their participation goals. In the mid-sized and rural Pennsylvania sites, enrollment in SPOC was limited to volunteers, with preference given to target group members and those with greatest motivation and need. Enrollment in SPOC was also voluntary in Philadelphia, although the large number of target group members in the caseload meant that there was no need to give preference to the target groups in order to meet the federal mandates. In the early months of JOBS implementation in Tennessee, staff were instructed to recruit people with excellent prospects for success or, in other words, to cream. By the time of the study, concerns about meeting the mandated participation rate had shifted the emphasis to encouraging the maximum number of volunteers, but enrollment remained voluntary.

In Maryland, Mississippi, New York, and Oklahoma, state policy required that nonexempt individuals participate, but gave priority to volunteers. Except for Mississippi, these states were generally able to serve all individuals who volunteered. But the number of volunteers was small, so that giving priority to volunteers by no means implied that most participants in JOBS were volunteers. In Mississippi, where funding for JOBS was extremely limited, few services were purchased or otherwise arranged for JOBS participants. Many individuals who completed the assessment process could not be referred to a service and were placed on unofficial waiting lists. Because of the lack of services, the large urban site (Jackson) gave priority to enrolling self-initiated individuals, most of whom were attending school, and the most job ready. But while

self-initiated participants were given priority, it is less clear that volunteers who wished to be referred to a service could be accommodated.

State policy in Texas gave first priority to target group members, but it appears that local welfare offices were not making a strong effort to enroll members of the target groups, in part because they lacked the resources and authority to control enrollment. Many Service Level II participants were enrolled in JOBS through a referral from the JTPA, which drew upon JOBS funds for supportive services, rather than by a call-in by the welfare agency. Reliance on volunteers who were referred from other agencies limited the ability of the welfare agencies to focus resources on the target groups, and the state welfare agency acknowledged that the large number of JTPA referrals interfered with targeting efforts. The field associate speculated that the welfare agencies coped with this problem by authorizing supportive services for target group members more often than for other recipients. Such a policy would explain the complaints of the JTPA staff that the welfare agency was a "black hole" that did not provide all prospective JTPA participants with supportive services through JOBS. Finally, the rush to enroll high school students to meet the federal participation mandates was urged by the state, but was a significant deviation from the state's original priorities.

In general, we found that the more finely delineated state priorities for enrollment were less likely to be followed in the local sites than the simpler priority to serve volunteers. For example, Oregon developed a priority ranking that divided clients into 10 groups, but it is not clear that all sites followed this ranking. The experience of Oregon and other states suggests that following a detailed list of priorities would have required both more information about individuals to rank them in a prioritized list and more specialized services to meet their needs than were available. In addition, we found few efforts to concentrate resources on individuals in the target groups: because they constituted a large proportion of the caseload, 55 percent of expenditures were generally made on their behalf without giving them special treatment. Finally, the judgments of the front-line JOBS workers also influenced who was enrolled in the program. Judgment undoubtedly played a role in all states, but it is particularly evident in the field associate reports from Michigan, Oklahoma, Pennsylvania, and rural New York.

Client Compliance and Continuity of Participation

To what extent were applicants and recipients complying with the JOBS agencies' initial efforts to enroll them in the program? Once enrolled, how likely were they to continue to participate? The study methodology did not enable field associates to collect data on the

experience of individual applicants, recipients, and participants that would answer these questions with precision. Instead, the field associates relied on interviews with program administrators, supervisors, and front-line workers and on any agency data made available to them.

In virtually all sites, significant proportions of the individuals who were called in to the welfare agency for enrollment in JOBS failed to appear. Similarly, a large share of individuals who were referred to another agency for enrollment in JOBS did not arrive there. These no-show rates were estimated to be as low as 25 percent in some sites and as high as 60 percent in others. Some individuals who failed to appear had a good cause for non-participation that was not apparent when the agency determined that they were nonexempt from JOBS. Agency staff reported that others lacked motivation and confidence, had no desire to participate, or believed that welfare is an entitlement that does not obligate them to participate in JOBS. In addition, staff reported that some individuals were already in an education or training program or were employed without informing the welfare office of their employment status and earnings.

Tennessee, which operated a voluntary program, is the only state for which we have good information on client attrition at various steps in the enrollment process. In Davidson County (Nashville) between October 1, 1990 and June 30, 1991, 2,925 individuals initially agreed to volunteer for the program during the JOBS orientation given by the income maintenance worker. Of these individuals, 959 attended the first interview with the JOBS contractor, while 289 actually participated in a JOBS service, less than 10 percent of initial volunteers. The other two sites reported a similar drop-off, with only one-third of those who agreed to be referred to the JOBS contractor actually arriving there and even fewer participating in a service.

In several sites, staff stressed the importance of enrolling individuals in the program quickly, soon after their eligibility is determined. Oklahoma appeared to make the greatest effort to speed the enrollment process. The assessment for JOBS was a self-assessment which individuals completed when they applied for assistance. When eligibility was determined, the caseworkers attempted to meet with recipients quickly to review the self-assessment and develop the employment plan. Some sites in other states also attempted to minimize delays. For example, when individuals in New York's Oneida County came to the welfare office to apply for benefits or to be recertified, everyone who was not obviously exempt from JOBS was referred to the JOBS unit in the welfare agency. The JOBS unit determined whether they were exempt and, if they were not, made an appointment for the assessment and development of the

employment plan. New York City experienced considerable delays in its call-ins to the JOBS office, but it emphasized swift action once the recipient arrived at the office. A high-level administrator was clear about the city's goal: "We don't want to leave a client sitting; ideally, a client is referred to a service within two weeks of the assessment and employment plan development."

Some sites with delays in processing clients recognized that these delays contributed to the no-show problem. In an urban site where there was a considerable delay between the application for AFDC and the call-in for JOBS, staff argued that the delay interfered with efforts to enroll people in the program: "The longer they wait and the longer on welfare, the harder it is to get them into JOBS." According to a field associate in another state, the site "loses clients because the orientation and the assessment are not scheduled on the same day, but require a return visit the next day or as much as a week later."

Once individuals were enrolled in a service component, the drop-out rates tended to be considerably lower than the no-show rates at the call-in or initial referral. Some sites reported very low drop-out rates for individuals engaged in a service component, and the drop-out rate was generally lowest in the sites with more voluntary enrollment. Tennessee reported few drop-outs once clients began an education and training program. In Pennsylvania, where enrollment in SPOC was voluntary, drop-outs usually occurred early in the self-selection process. The mid-sized and rural Pennsylvania sites attributed their low drop-out rates during a SPOC activity to intensive counseling by the program's case managers. Some sites with mandatory participation also experienced low drop-out rates, but poor attendance and high drop-out rates were considered to be a serious problem in other sites. In one site, as many as 40 percent of enrollees in adult basic education classes dropped out during the first 9 months of the program. In another site, only 30 to 40 percent of the individuals sent to the Job Club completed the program.

Agency Response to Noncompliance

How much pressure did the welfare agencies place on AFDC applicants and recipients to enroll in JOBS and to continue to participate? One measure of pressure is the number of individuals who are being sanctioned by cuts in their welfare benefits for failure to comply with the requirements of JOBS. Field associates were requested to collect information on the number of adults who were being sanctioned under JOBS. However, the information systems in many sites could not distinguish between sanctions for failure to comply with JOBS and sanctions for other reasons, and field associates could provide only estimates of JOBS

sanctions. In addition, some sites may have included in their count of individuals being sanctioned those who were only in the conciliation process that precedes a sanction. The Family Support Act requires that states establish conciliation procedures to resolve disputes about individuals' participation in the program before sanctions are imposed, and we are not confident that local staff always distinguished correctly between individuals in conciliation and individuals under a sanction.

Four states appeared to make serious efforts to sanction recipients who failed to comply with the requirement to participate in JOBS: Maryland, Oregon, New York, and Texas. The field associate in Maryland reported the highest rates of sanctions: Baltimore and mid-sized Anne Arundel County sanctioned about one-third of the nonexempt individuals who were referred to the JTPA each month; the rural site sanctioned about half of those referred to the JTPA. Maryland's predecessor to JOBS was voluntary, and the welfare agencies were apparently emphasizing the mandatory nature of JOBS. The urban and mid-sized sites in Oregon also imposed sanctions systematically, although the rate was lower than in Maryland. In rural Oregon, according to the field associate's report, "informal persuasion is the preferred approach, primarily because providers and clients are apt to be acquainted with one another."

New York and Texas sites also imposed sanctions, although the sanctioning rate varies by site or type of client. New York City took a routinized approach to noncompliance and enforcement, giving individuals an extended conciliation period to resolve issues and imposing sanctions when appropriate. During one week in the study period, 129 recipients were in some phase of the conciliation process in the local office selected for the study. (To put this number in perspective: about 415 individuals were called in to this office during a typical week.) While the threat of sanctions was not a major theme of the agency's program, attention to the process of enforcing the rules meant that sanctions were imposed fairly systematically. Sanctions were imposed in the other New York sites, but the rate appears to be lower. Some staff in these sites were discouraged from imposing sanctions because the process of sanctioning was difficult and the likelihood of actually ordering a sanction was low; other staff viewed sanctions as a failure for both the client and the worker.

Sanctions were imposed in all three Texas sites, where an increasingly formal conciliation and sanctioning process has been adopted to meet the requirements of JOBS. It is noteworthy that most of the sanctions were imposed on individuals in the Service Level I category. As discussed above, greater efforts were made to enroll these individuals in JOBS than those assigned to Service Level II. Contractors called in Service Level I clients, while many Service Level II participants volunteered for other

programs that referred them to JOBS for supportive services. Because greater demands were placed on the individuals in Service Level I, a greater share of them failed to comply with the rules of the program.

Welfare agencies must devote resources to the conciliation and sanctioning process if they wish to exert pressure on individuals to participate in the program. The cost in terms of staff time was noted in several states and often given as the explanation for their lenient attitude toward sanctioning. In one urban area, according to a field associate's report, "workers feel that the current policy is too lenient, but sanctions procedures are often very time consuming and resources are currently not available to enforce a stricter policy." In this site, the rate of sanctions had fallen since JOBS implementation. Staff attributed this decline in part to the new conciliation procedures that the agency introduced with JOBS, procedures that they viewed as "an increase in the number of administrative 'hoops' to be navigated before sanctions can be imposed." In another urban area, the field associate noted that "until early summer, sanctions were simply not being done due to lack of staff." Workers in another state argued that the process is "cumbersome" and that it is "just too much of a hassle." In one state, workers complained of a different problem, namely that the agency did not support their efforts: "Even when we tell them they stand a good chance of being removed from the grant, I feel we don't have enough backbone to do it."

The limited span of control of the lead agencies responsible for operating JOBS has also curbed the use of sanctions. While the responsibility for sanctioning is lodged within the welfare agency, many states gave lead responsibility for providing JOBS services to another agency or to a group of specialized employment workers within the welfare agency. In some sites, administrators or workers expressed frustration with the differences in the objectives and priorities of the welfare staff and the JOBS staff. In Texas, for example, one of the Service Level I contractors complained about the slow pace and leniency of the conciliation and sanctioning activities of the welfare agency. A caseworker in an Oklahoma site voiced the same complaint and suggested a solution: "If the Job Developers could do sanctioning, then recipients would be sanctioned and people in the community would know that we mean business. We social workers just don't have the time to do it." In Mississippi, some of the case managers in the community action agencies felt that the enforcement process of the welfare agency is too lenient. In Pennsylvania, the lack of sanctions in the voluntary SPOC program was causing some problems for the JTPA. According to the field associate's report on one site, "JTPA representatives noted that the lack of sanctions gives providers no leverage. The fact that most subcontracts are based at

least partly on performance (i.e., job placement) makes this a particular problem for the organizations providing services."

The Importance of Resources

The Family Support Act struck an uneasy compromise in making participation in JOBS mandatory. As one drafter of the Family Support Act wrote, "we wanted to obligate custodial parents (usually mothers) to try to become self-sufficient by preparing for and taking jobs. Toward that end, we wanted to establish new state-designed education, training, and work-experience programs in which able-bodied AFDC adults would be required to participate" (Baum, 1991, p. 607). But she also acknowledged that limited resources, together with a reluctance to spread these resources among individuals so thinly that they would have no effect, argued against universal participation. For this reason, states were required to serve only a fraction of the nonexempt caseload, seven percent in 1991, rising to 20 percent by 1995. Hence, the Act presented the states with potentially conflicting goals. Unless states devote large amounts of resources to the program, they face a choice between broad enforcement of the participation mandate, thus obligating many individuals to participate in low-cost and perhaps ineffective services, and providing higher-cost and presumably more effective services to a necessarily smaller number of individuals.

This review indicates that the majority of the sites were not making strong efforts to impose an obligation on recipients at the time of the study. Two states, Pennsylvania and Tennessee, chose to make participation entirely or largely voluntary. Many other sites appeared to be devoting few resources to conveying the message that participation in JOBS is required in exchange for welfare benefits. While participation was nominally mandatory in seven states, many local agencies did not implement policies and procedures for enrollment and sanctioning that would signal to recipients that participation is in fact required. For example, few sites focused their enrollment efforts on a select group of recipients, with strict sanctioning to demonstrate the seriousness of the participation mandate. Instead, many sites enrolled individuals by casting a wide net and serving individuals who were motivated to participate. High no-show rates and low sanctioning rates suggest that the noncompliance of many individuals was ignored.

Maryland and Oregon, and New York and Texas in a more limited way, made greater efforts than the other states to sanction individuals who failed to comply with the participation requirement. It is significant that Maryland and Oregon were making the greatest efforts to enforce client participation in JOBS. These states devoted more resources to the

program, relative to the size of their caseloads, than the other states: Oregon spent enough to draw down its full federal allocation of JOBS funds in 1991, while Maryland was able to draw down 84 percent of its allocation. Texas enforced participation primarily among the individuals for whom services were purchased through state-level contracts. The experience of these states indicates that the participation mandate is enforced most strongly by welfare agencies that have a supply of services available to offer recipients.

In almost all states, a lack of JOBS services was viewed by administrators or staff as a factor limiting the force of the participation requirement. Inadequate services created a very severe problem in Tennessee, where a lack of resources for JOBS prompted the state to formally limit enrollment to volunteers. Lack of services was also a problem in Mississippi where, according to the report of the field associate, "many participants are on waiting lists and are required to do nothing." Even in states that were spending more of their federal allocation, a lack of resources was limiting enrollment. Field associates reported waiting lists for JOBS services in at least some sites in five other states: Maryland, Michigan, New York, Oregon, and Pennsylvania. In Texas, the program got off to a late start, and the flow of clients into the program, especially those in Service Level II, was relatively low.

In the start-up phase of a new program, it is not surprising to find that enrollment is selective and that enforcement of the rules is not a high priority. The task of enrolling recipients in the program takes time and, at the time of the study, many sites had not yet phased in their entire caseload. This meant that there was little need to exert pressure on individuals in order to meet the agencies' participation goals. Start-up problems were particularly evident in Mississippi and Texas, which did not have a welfare employment program in place prior to JOBS to provide the foundation for the new program. With delays in getting the program into operation, the welfare agencies in these two states devoted limited energy to enforcing participation. According to the field associate in Texas, "the mandatory nature of the program has yet to be put to the test."

8. CONCLUSIONS

Building upon the foundation of existing welfare employment programs, all states in this study except Mississippi redesigned and expanded their programs sufficiently to meet the mandates of the Family Support Act for 1991. Sites that had designed new welfare employment programs prior to JOBS added additional components and increased their efforts to enroll recipients in the program. Sites without programs in place that could readily be expanded into JOBS developed less capacity to operate the program, generally arranging only a few new services tailored exclusively for JOBS participants and referring many recipients to other activities available in the community. At the time of the study, these sites were gaining experience in enrolling individuals in JOBS, although some were relying solely on volunteers or were encountering bottlenecks in processing clients into education, training, and employment services.

All states designed their programs to offer the full range of services required by JOBS and at least two of the elective JOBS components. But in implementing these designs, the local sites were selective in purchasing or otherwise funding a supply of service slots and generally did not finance all the services that they formally offered. In states that had appropriated small amounts for JOBS, the federal mandates to provide education and to serve at least seven percent of the nonexempt caseload for an average of 20 hours a week drove funding decisions and resulted in a narrow range of funded services. In states with greater appropriations for JOBS, the selection of services was based more on the needs of the caseload, and a broader range of services was available to participants.

All sites, to a greater or lesser degree, relied on the resources of other organizations for additional services beyond those financed through JOBS. Virtually all sites devoted some of their JOBS funds to job readiness activities and to the adult education programs needed to meet the JOBS education mandates. Funding for other activities, including job skills training, job search, work experience, and job development and placement, varied considerably from one site to another. Because most sites supported only selected services and could not guarantee a supply of services from other organizations without payment, their programs generally deviated from the formal designs articulated in their flow charts.

Deviations from the formal designs have not been toward low-cost services such as job search and work experience, but rather a drift toward the services that were available to recipients without JOBS funding,

particularly education. Job search and work experience were typically financed through JOBS and imposed a real cost on the welfare agency. Adult basic education, high school, and post-secondary education, in contrast, were offered by other agencies and, in some states, were well funded by other programs and easily accessed by JOBS participants without payment from the welfare agency. Skills training was provided by a variety of organizations, including the JTPA, vocational/technical schools, and proprietary schools. Welfare agencies could refer individuals to these activities at no cost, provided the other organizations were willing to serve them. Individuals who enrolled in these activities on their own initiative, or who were referred to JOBS for supportive services prior to enrollment, constituted a share of JOBS participants in all states and were a large share in some sites, especially in Texas and New York City.

Prior to JOBS implementation, analysts anticipated that states would face difficult choices between two goals in allocating the limited resources available for the program. If states chose to achieve broad coverage of their caseload so as to meet the participation mandate or convey to recipients the message that participation is required in exchange for AFDC benefits, they would be under pressure to provide low-cost services. Alternatively, if they chose to provide individuals with high-cost and presumably more effective services, they would be able to serve fewer individuals. Job search and work experience were characterized as low-cost services, while education and training were characterized as high-cost services (Gueron, 1990).

This review of the states' efforts to access services, however, suggests that subsidies from other programs have altered the relative cost of services to the JOBS program. High school and post-secondary education is generally available to participants without JOBS funding, while adult education and vocational/technical skills training are also supported by other programs, although more generously in some states than in others. From the perspective of the welfare agency, these other education and training programs are a source of low-cost services for JOBS participants. In contrast, job search programs are not widely available to the general public, and both work experience and work supplementation are by their nature restricted to welfare recipients. The welfare agency must generally bear their full cost, making them relatively high-cost services to the JOBS program. Because of the subsidies that JOBS receives from other programs, the choices between high- and low-cost services have not materialized as anticipated. Increased coverage of the caseload has been achieved largely through referral to education programs, with less expansion of the job search and work programs that are low-cost in terms of

real resources, but relatively high-cost to the JOBS program. Whether this pattern will continue as more JOBS participants complete their education and as the federally mandated participation rate increases is difficult to predict.

Although all states except Mississippi achieved the minimum participation rates mandated by the Family Support for 1991 and some states exceeded these mandates by a considerable margin, the states and sites did not adopt the dramatic rhetoric used by the authors of the Family Support Act. In contrast to the ambitious rationales and expectations expressed in Washington when the law was enacted, implementation in the states was a more low-keyed and incremental process. Some welfare agencies hired additional staff or reallocated staff to their employment units, but they did not seize the opportunity provided by JOBS to redefine the mission of their agency. Many welfare agencies simply gave lead responsibility for operating the program to the JTPA or another specialized service provider. Nor has the expectation that JOBS would obligate welfare recipients to make efforts to become self-sufficient been realized in most states. Some sites, particularly in Maryland, Oregon, New York, and Texas, placed pressure on recipients to enroll in JOBS and continue to participate in an attempt to impose an obligation upon them. In others, participation in JOBS was more voluntary, in part because resources were not sufficient to serve everyone who was required to participate.

Implications for the Federal Law and Regulations

Despite the incremental and generally low-key responses by the states, our review of the local implementation of the JOBS program leads us to conclude that the Family Support Act is well designed. The Act gives states the flexibility to create programs that are appropriate for individuals with diverse needs and abilities and to draw upon the capacities of local institutions, configured into diverse systems, to operate these programs. At the time of the study, the Act was having the intended effect of increasing the participation of welfare recipients in meaningful education, training, and employment programs. While the 20-hour rule created start-up problems for some states, it encouraged sites to develop substantial programs that required a commitment of effort by participants. We still believe, as we argued earlier, that JOBS has promise and that the program should be given time to fulfill this promise (Hagen & Lurie, 1992).

The major impediment to further program implemention was lack of funding, both at the state and federal levels. Only Oregon drew down its full federal share of JOBS funds in 1991, and preliminary reports indicate that only Oregon, and perhaps Maryland and New York, drew down all

of their federal allocation in 1992. But even if the states were to spend enough to receive their full federal allocation, it is not certain that they would be able to achieve the increasing mandated participation rates with reliance on JOBS funds alone. Despite state spending that was sufficient to draw down all of Oregon's federal allocation, the field associate argued that "under-funding of the entire program is a persistent and chronic problem." Administrators in Maryland also questioned how they would be able to increase participation rates without major changes in the design of their program. The WIN program was regarded as a failure primarily because sufficient funding was not allocated for meaningful implementation (Rein, 1982). The field research suggests that JOBS could meet the same fate: preparing welfare recipients for financial self-sufficiency is a major task that will require a greater commitment of federal funds than the Family Support Act currently offers.

One of the most optimistic findings from this round of field research is the number and variety of organizations capable of providing education and training services. Public schools, vocational/technical schools, community colleges, JTPA agencies, and other organizations appear willing to serve JOBS participants, particularly if they are paid in exchange. In the words of one field associate, "It is not the availability of services, *per se*, that constrains the SDAs from offering clients the most suitable service, but the lack of funds to pay for such services in all cases." For this reason, we expect that a greater supply of education and training services would be forthcoming for JOBS participants if funding levels were increased. In contrast, the infrastructure for operating programs that require good linkages with employers— work experience, OJT, work supplementation, and job development and placement—appears to be less extensive in most sites. But the experience of some states, particularly Oklahoma, indicates that close linkages with employers can be developed if the welfare agencies devote sufficient staff to this task.

Our review of the experiences of these sites in implementing JOBS indicates that states do have the capacity to create and expand education, training, and employment programs for welfare recipients. If funds are available to purchase services, various organizations are willing to design activities that meet the needs of participants and the requirements of the JOBS program. Perhaps the greater challenge is in processing clients through the JOBS program: ensuring that recipients enroll in the program, select an activity that is meaningful to them, continue their participation, and make the transition to employment. The field research was not designed to measure and evaluate the experiences of individuals as they go through each stage of the JOBS program. However, our review of the sites' efforts to implement the participation mandate suggests that

agencies must further develop their capacity to work with individual clients if JOBS is to achieve its ultimate goal of reducing welfare dependency and poverty.

Implications for Proposed Changes

During the recent presidential campaign, President Clinton promised to "end welfare as we know it," arguing for a two-year limit on welfare benefits. During these two years, recipients would be prepared for employment through the types of services offered by JOBS: education and training, together with child care and other supportive services needed to participate in these activities. After two years, their eligibility for welfare would end, and they would be required to work.

In his first speech before Congress, the president added an important postscript to his call for a time limit on welfare. "After two years, they must get back to work—in private business if possible, in public service, if necessary." His recognition that a time limit on welfare requires the guarantee of a job, if necessary a job in the public sector, makes his proposal worthy of consideration as an alternative to the present system. But given current labor market conditions, a program of public sector employment or some type of wage or earnings subsidy, or perhaps expansion of the work supplementation or work experience programs currently in JOBS, would be needed to implement his reform.

The experience of the local sites examined here suggests that a large-scale expansion of work programs could prove difficult to implement. While all ten states authorized on-the-job training and five states authorized work supplementation, very few individuals were participating in either of these programs in the local sites at the time of the study. Eight states authorized either CWEP or an alternative work experience program, and some sites in Michigan, New York, and especially Oklahoma were routinely referring recipients to work experience. But the other states did not use work experience or used it primarily to fill in around other programs, either to supplement another service to provide 20 hours of weekly activity or as a temporary assignment for individuals waiting to begin another program.

Field associates gave several explanations for the infrequent use of work programs. Some of the current limitations in operating work programs, such as the lack of staff with good information about the labor market, could be overcome relatively easily. Other features of work programs, particularly the cost of administering such programs on a large scale, should be acknowledged. But a more fundamental issue, one that could become increasingly divisive if work programs were expanded, is

the displacement of regular workers by welfare recipients. In a slowly growing economy with high unemployment among skilled workers, creating or reserving public sector jobs for welfare recipients, or subsidizing private sector jobs for welfare recipients but not for others, may not be acceptable to the public. Unlike education and training, the public may view work programs as a zero-sum game, where the gain in jobs for welfare recipients is seen as a loss in jobs for others. The experience of the local sites suggests that some states may embrace work programs, but that others will face resistance from organized labor and the general public.

The Need for Financial Incentives to Work

The 1967 federal legislation enacting the WIN program took a dual approach to raising the earnings of welfare recipients: it created employment and training services to increase their earning capacity and attachment to the labor force while also introducing financial incentives to increase their reward for working. Prior to 1967, states were required to reduce welfare benefits by one dollar for each dollar of increased earnings, leaving recipients with the same total income regardless of their work effort. The WIN legislation changed the rules for calculating AFDC benefits, requiring states to disregard a portion of a family's monthly earnings: $30 plus one-third of the remaining earnings. Because families could increase their total income by the amount of the disregards, work became financially rewarding for them.

The responses of welfare agencies and recipients to WIN and the $30 and one-third disregard disappointed Congress and federal administrators, prompting amendments to WIN in 1972 and changes in the federal regulations in 1976 that strengthened the work requirement. In addition, during this period the administration and Congress were attempting to reform the basic structure of income maintenance programs —to extend aid to poor families headed by an able-bodied employed father and to increase the financial incentive to work by further lowering the benefit reduction rate. But these efforts revealed some fundamental dilemmas in designing income maintenance programs. Lowering the benefit reduction rate to increase the financial incentive to work has the effect of increasing the cost of the program because benefits are more generous at each level of earnings and eligibility for benefits extends to higher-income families. Moreover, families who receive benefits from several income-conditioned programs, for example AFDC and food stamps, face a benefit reduction rate that cumulates the rates of the individual programs. Thus, to design a system of programs that makes work financially rewarding, the benefit reduction rate in the individual

programs must be low enough so that the cumulative rate provides an incentive to work. But a system with a lower cumulative rate is more costly, with higher benefits paid to more people (Lurie, 1975).

In 1981, the administration and Congress abandoned efforts to build a financial incentive to work into the benefit structure of the AFDC program. Legislation enacted in 1981 severely limited the duration of the $30 and one-third disregard, so that at present the $30 disregard can be claimed for only one year and the one-third disregard can be claimed for only four months. The Family Support Act includes several provisions that increase the financial incentive for recipients to work: the disregard of earnings to cover work expenses was increased from $75 to $90 per month, and individuals who become ineligible for welfare as a result of increased earnings continue to be eligible for child care support and Medicaid for six months to a year. Although these amendments restored some financial incentive for individuals to work, the rules for calculating welfare benefits continue to provide limited financial rewards for working in low-wage jobs, especially when families receive benefits from other income-conditioned programs.

In recent years, some states have recognized the perverse nature of the financial incentives facing welfare recipients and have attempted to redress the balance in favor of work. They have requested waivers from HHS to permit them to restructure the rules for calculating benefits so as to provide a financial incentive to work (Levin-Epstein & Greenberg, 1992). In addition, some states have recognized that their existing rules for calculating benefits provide recipients with a financial incentive to work. Rules originally designed to limit the amount of AFDC benefits—payment maximums and percentage reductions —have the side-effect of limiting the reduction in benefits as earnings increase. States are now recognizing the potential of these rules as a method of providing a financial incentive to work that is permitted under federal legislation (Larin, 1992).

Over the past decade, welfare policies to encourage recipients to work appear to have come full circle. The 1981 legislation emphasized welfare employment programs while reducing the financial reward for individuals who work. Today, states are recognizing that welfare employment programs are costly and only a partial solution to the problem of welfare dependency, and they are re-examining their options for providing financial incentives that encourage work. At the same time, the president has acknowledged the need for job creation if individuals are expected to become economically self-sufficient.

The nation will need to move on all three fronts to end welfare as we know it. To enable people to gain the earning capacity necessary to become self-sufficient, we must fund the JOBS program at a level that ensures a sufficient supply of education, training, and employment services for everyone who needs them. To encourage people to work, we must design a system of benefits and tax credits that makes work financially rewarding. Finally, if we are to limit the duration of welfare to two years, we must create jobs that offer the opportunity to work. While the states may point the way, it is ultimately the responsibility of the federal government to take the lead in making these reforms.

REFERENCES

Burbridge, L.C., & Nightingale, D.S. (1989). *Local coordination of employment and training services to welfare recipients*. Washington, D.C.: The Urban Institute.

Bane, M.J. (1989). Welfare reform and mandatory versus voluntary work: Policy issue or management problem? *Journal of Policy Analysis and Management, 8,* 285-289.

Baum, E.B. (1991). When the witch doctors agree: The Family Support Act and social science research. *Journal of Policy Analysis and Management, 10,* 603-615.

Greenberg, D., & Wiseman, M. (1992). What did the OBRA demonstrations do? In C.F. Manski & I. Garfinkel (Eds.), *Evaluating welfare and training programs* (pp. 25-75). Cambridge, Mass.: Harvard University Press.

Gueron, J.M. (1990). Work and welfare: Lessons on employment programs. *Journal of Economic Perspectives, 4(1),* 79-98.

Gueron, J.M., & Pauly, E. (1991). *From welfare to work.* New York: Russell Sage Foundation.

Grubb, W.N., & McDonnell, L.M. (1991). *Local systems of vocational education and job training: Diversity, interdependence, and effectiveness.* Berkeley: National Center for Research in Vocational Education, University of California at Berkeley.

Hagen, J.L., & Lurie, I. (1992). *Implementing JOBS: Initial state choices.* Albany, N.Y.: The Nelson A. Rockefeller Institute of Government.

—. (1993). *Child care services and JOBS: Local implementation.* Albany, N.Y.: The Nelson A. Rockefeller Institute of Government.

Hagen, J.L., Lurie, I., & Wang, L. (1993). *Implementing JOBS: The perspective of front-line workers.* Albany, N.Y.: The Nelson A. Rockefeller Institute of Government.

Job Training Partnership Act Advisory Committee. (1989). *Working capital: JTPA investments for the 90s* (p. 7). Washington, D.C.: U.S. Department of Labor.

Larin, K.A., with Porter, K.H. (1992). *Enough to live on: Setting an appropriate AFDC need standard.* Washington, D.C.: Center on Budget and Policy Priorities.

Levin-Epstein, J., & Greenberg, M. (1992). *The rush to reform: 1992 state AFDC legislative and waiver actions.* Washington, D.C.: Center for Law and Social Policy.

Lurie, I. (1975). *Integrating income maintenance programs.* New York: Academic Press.

Moynihan, D.P. (1973). *The politics of a guaranteed income.* New York: Random House.

—. (1990, November 25). The children of the state. *The Washington Post*, C1.

Nathan, R.P. (1982). The methodology for field network evaluation studies. In W. Williams (Ed.), *Studying implementation: Methodological and administrative issues* (pp. 73-99). Chatham, N.J.: Chatham House.

National Governors' Association. (1987). *Making America work: Productive people, productive policies.* Washington, D.C.: National Governors' Association.

Office of Employment Services. (1990, July 12). *Office of Employment Services FY '91 management plan* (p. 1). New York, N.Y.: New York City Human Resources Administration.

Novak, M., et al. (1987). *The new consensus on family and welfare.* Washington, D.C.: American Enterprise Institute for Public Policy Research.

Rein, M. (1982). *Dilemmas of welfare policy.* New York: Praeger Publishers.

Rovner, J. (1988a, October 1). Congress clears overhaul of welfare system. *Congressional Quarterly Weekly Report*, 2699-2701.

—. (1988b, October 8). Congress approves overhaul of welfare system. *Congressional Quarterly Weekly Report*, 2825-2831.

Seamon, J. (1990, November 27). Letter from Joan Seamon, U.S. Department of Education to Elvin D. Long, Missouri Department of Elementary and Secondary Education.

Trutko, J., Bailis, L., Barnow, B., & French, S. (1990). *An assessment of the JTPA role in state and local coordination activities, final report.* Arlington, Va.: James Bell Associates, Inc., and Washington, D.C.: Lewin/ICF.

U.S. House Committee on Ways and Means. (1992). *1992 green book* (p. 644). Washington, D.C.: U.S. Government Printing Office.

APPENDIX A: FIELD ASSOCIATES

Robert E. Fulton is now an independent public policy analyst living in Missouri. He was Secretary of Social Services in the Oklahoma Governor's Cabinet from November 1987 to January 1991. In this capacity, he assisted the Governor in providing oversight and liaison for eight state agencies. Prior to joining the Governor's Cabinet, Fulton served for 4 1/2 years as Director of Oklahoma's largest state agency, the Department of Human Services. Before going to Oklahoma in 1983, Fulton served for six years on the staff of the U.S. Senate Budget Committee, including two years as Chief Counsel for that Committee. Prior to joining the Senate Budget Committee staff, Fulton served for a total of 21 years in five different federal agencies. His service included a 1976 appointment by President Ford as Administrator of the Social and Rehabilitation Service in the Department of Health, Education, and Welfare. Fulton served on the Board of Directors of the American Public Welfare Association from 1987 to 1989. Fulton served on the American Public Welfare Association's committee that produced the "One Child in Four" report and helped create the momentum leading to the enactment of the Family Support Act of 1988.

Christopher T. King is Associate Director, Center for the Study of Human Resources, Lyndon B. Johnson School of Public Affairs at the University of Texas, Austin. Dr. King is an economist with an interest in welfare, education, and employment programs, both nationwide and in Texas. He is an expert on the Job Training Partnership Act, having served as the principal editor for the report of the U.S. Job Training Partnership Act Advisory Committee issued in March 1989. He has been a consultant to many governmental and private organizations and continues to conduct research on the JOBS Program in Texas with funding from the Texas Department of Human Services and several other state agencies.

Jeffrey J. Koshel is an economist who is a private consultant in Washington, D.C. He has had extensive experience monitoring and evaluating work/welfare programs, social service programs, and other human resource programs while serving on the staffs of the National Governors' Association, the Urban Institute, and the Congressional Budget Office. He currently provides planning and evaluation assistance to administrators of state and local governmental and private agencies serving at-risk populations. As a consultant to Montgomery County, Maryland, he is evaluating the county's initiative in adding a cash supplement to the state's welfare program.

Thomas F. Luce, Jr., is an assistant professor of public affairs and planning at the Hubert H. Humphrey Institute of Public Affairs at the University of Minnesota. He has worked extensively on economic development and public finance in Pennsylvania. Prior to moving to Minnesota, he taught at Pennsylvania State University and worked with the Wharton Economic Monitoring Project at the University of Pennsylvania. He co-authored three volumes on finance and economic development in the Philadelphia area. He has also published work on fiscal issues in the Pittsburgh area, state government science and technology-based economic development programs in Pennsylvania and other states, and intergovernmental fiscal relations.

Colletta H. Moser is a professor of agricultural economics at Michigan State University and Employment, Training, and Public Policy Specialist, Cooperative Extension Service. Her expertise is labor economics, and she is co-author of *Labor Economics and Labor Relations*, a textbook now in its tenth edition. She has an extensive back-

ground in manpower policies, with a special focus on rural issues. From 1986 to 1988, she was principal investigator for grants from the Michigan Department of Labor, Title III Dislocated Workers Job Training Partnership Act for retraining financially distressed Michigan farm family members and their employees.

Lewis H. Smith is a professor in the Department of Economics at the University of Mississippi. He is a labor economist who has studied various aspects of labor markets in the South as well as the effectiveness of training, relocation, and job search activities. Dr. Smith has also written on welfare and public service employment programs in the rural South. He is unique among the field associates in having been a field associate in several field network research projects directed by Richard Nathan and others: the Study of the Implementation of the Job Training Partnership Act, the Study of the Impact of Reagan's Domestic Programs on State and Local Governments, and the field network evaluation of the Public Service Employment Program.

Kenneth R. Wedel, Professor, School of Social Work, University of Oklahoma, may be unique among our field associates in having served as a county welfare director early in his career. His expertise rests in public administration and public welfare policies. Professor Wedel's scholarly publications in this area have concentrated on issues related to the purchase of social services by the government. These issues include the monitoring of service contracts and the use of performance-based contracts in social services. Additionally, he is co-author of a forthcoming book on the evaluation of social programs.

Norman L. Wyers, Professor, School of Social Work, Portland State University, has conducted public policy research on public welfare policies, specifically AFDC. He has made a significant contribution to the social welfare literature by examining the roles and functions of income maintenance workers. In addition to his scholarly publications, Dr. Wyers has been active in serving as a consultant to various public organizations, including the Department of Human Services, State of Oregon. He also has provided testimony before various committees of the Oregon State Legislature, the Governor's Task Force on Welfare Reform, and the Welfare Reform Subcommittee of the U.S. House of Representatives.

APPENDIX B: STATE PROFILES*

MARYLAND: PROJECT INDEPENDENCE

Maryland launched a well-publicized employment and training program for AFDC recipients just prior to passage of the Family Support Act. Through strong gubernatorial leadership, primary responsibility for operating the WIN Demonstration program at the local level was transferred from the welfare agencies to the Service Delivery Areas of the JTPA. Additional state funds were appropriated for the program, more than were required to match the federal WIN funds. At the local level, officials were given the flexibility to offer recipients a wide variety of services to promote self-sufficiency. Client participation was voluntary and publicity about the program was up-beat, stressing training and job opportunities.

Building on this approach, the Family Support Act did not demand major program development, and implementation was accomplished by administrative regulations in July 1989. The program, Project Independence, was altered as needed to meet the new federal requirements. The JTPA continues to be the lead organization for delivering employment and training services at the local level.

Responsibility for JOBS in Maryland is divided between the Department of Human Resources (DHR) and the Department of Economic and Employment Development (DEED). The welfare agency (DHR) provides the JOBS orientation and conducts the initial assessment. It then refers recipients to the JTPA or, if education is needed, directly to education providers. DHR also arranges child care and other supportive services and administers the process of conciliation and sanctioning. The DEED, operating through JTPA Service Delivery Areas, has full responsibility for administering Project Independence's employment and training activities. This includes not only delivering services, but ensuring that each Service Delivery Area meets the federal mandates for participation and targeting.

Although in Maryland the counties administer public assistance, the governor has been able to exert considerable leverage over the design of JOBS and its operation at the local level. During the initial phase of JOBS implementation, primary responsibility for policy-making and planning rested with the Governor's Employment and Training Council. The Council supervises the Project Independence Management Team, which oversees program operations. Membership in these groups includes not only administrators of DHR and DEED, but also representatives of other state and local agencies, the private sector, the legislature, unions, and local Service Delivery Areas. Bringing these groups together under his direction has enabled the governor to achieve an unusual degree of interagency coordination. However, some observers argue that this has been accompanied by a loss of administrative authority on the part of the welfare agency.

---

* Source: Jan L. Hagen and Irene Lurie (March 1992). *Implementing JOBS: Initial State Choices*. Albany, N.Y.: The Nelson A. Rockefeller Institute of Government.

Project Independence has an assessment-based design, in the sense that it emphasizes no particular service or sequence of services. Various types of case management are encouraged by the state, including case management teams composed of a welfare caseworker, a JTPA counselor and an educational staff member when appropriate. JOBS is a mandatory program, but volunteers are given preference. Parents with children under age two are exempt from participation.

For the most part, the training and employment services offered under JOBS are the same as those that were available under the previous initiative. Maryland no longer provides work supplementation and mandatory CWEP, although it does permit voluntary work experience. JOBS appears to have increased the availability of educational services, although there are no formal contracts at the state level for education services and these agreements must be worked out at the local level. It is less clear that more employment and training services have become available as a result of JOBS implementation.

State officials expect that Maryland will meet the federal mandates concerning participation and targeting of expenditures in 1991 and 1992. A service delivery system was in place prior to JOBS and significant amounts of new funds have been spent for JOBS: the state drew down almost all its federal allotment of JOBS funds in its first year of operations, and 76 percent in state fiscal year 1991. However, officials are not certain whether and how the state will adjust its program to meet the rising participation rates over the longer term.

MICHIGAN: MICHIGAN OPPORTUNITY AND SKILLS TRAINING PROGRAM (MOST)

In Michigan, JOBS implementation is another step in the gradual evolution of employment and training programs for welfare recipients. Drawing on prior experience, Michigan quickly opted for the WIN Demonstration program in 1982 and in 1984 enacted the Michigan Opportunity and Skills Training (MOST) Program. MOST is a refinement of previous efforts to design a single program for all employable AFDC, general assistance, and Food Stamp recipients in the state and offers a wide variety of education, training and employment services. With MOST in place, the Family Support Act required little program development and JOBS was implemented without legislation in July 1989.

MOST has an assessment-based design, in the sense that no particular service, or sequence of services, is emphasized. Income maintenance workers inform applicants and recipients about JOBS and refer them to the MOST Workers. These case managers have responsibility for the primary JOBS functions, including orientation to JOBS; the initial assessment and employability plan development; arranging for education, employment, and training services; providing or purchasing supportive services; and monitoring participants.

All mandated and elective education, training, and employment activities are authorized under MOST. Post-secondary education is not listed as a JOBS component in the state plan, but many participants are in post-secondary education, which is considered a self-initiated activity. With the exception of job readiness activities, which were added to comply with the Family Support Act, all JOBS services were permitted under the 1984 law. Moreover, Michigan already devoted significant resources to the types of long-term human capital services encouraged by JOBS. This means that JOBS implementation has not produced a dramatic shift in the types of services provided. Relative to other states in the sample, high proportions of participants are attending two-year and four-year colleges, all as a self-initiated activity. Very low proportions are participating in on-the-job training and work supplementation.

The Michigan Department of Social Services administers MOST through its local offices. Compared to the other state-administered programs in the sample, local offices in Michigan are given more discretion to design their own JOBS program. Each local office develops its JOBS plan, with some flexibility to choose the services that meet the needs of the local labor market. Although the state plan authorizes all four elective services, each office does not have to offer all services. Local offices also have considerable responsibility for obtaining services from local providers, either by contracting to purchase services or by obtaining them on a non-reimbursable basis. A list of local service providers attached to the state's JOBS plan suggests that there is a greater variety of arrangements for obtaining services in Michigan than in the other state-administered programs in the sample.

Participation in MOST is mandatory for all nonexempt recipients, and only parents with children under age one are exempt. But in practice, the program enlists a sufficient number of participants so that strong compulsion is unnecessary. An innovative policy excuses some parents from participation. As stated in the Department of Social Services manual, "If a person who is a mandatory participant provides child care in her home for MOST Program participants, she shall be considered as meeting the program participation requirements."

Michigan has not faced great difficulty in meeting the federal mandates regarding participation and targeting, although it is having difficulty with the 20-hour rule and the federal reporting requirements. Prior to JOBS implementation, MOST served enough people that the 7 percent participation requirement did not necessitate a significant increase in participation. Nor did the state need to take special actions to meet the targeting requirements.

MISSISSIPPI: JOBS

When the Family Support Act was passed, Mississippi operated a small WIN program that had declined during the 1980s with the decrease in federal funding. The WIN Demonstration program was introduced in 1989, in part as a possible model for JOBS, but it operated in only six of the state's 84 counties. The state's WIN Demonstration staff consisted of eight people—two supervisors and six social workers. WIN offered job search, job readiness activities, and work experience. Training and education were also WIN components, although no funds were available to purchase these services and they were obtained only by referral to the JTPA and education providers.

Unlike most states in the sample, which implemented JOBS by modifying their existing WIN Demonstration programs, Mississippi chose to make a significant organizational change. In 1989, prior to JOBS implementation, Governor Ray Mabus consolidated several state agencies into a new Department of Human Services (DHS). In creating the new agency, many leadership positions were transferred from white to black administrators. For these new leaders, JOBS presented the opportunity to alter the operational structure of welfare employment programs and to place new people in positions of responsibility. Instead of building on the WIN Demonstration, and relying on the staff that had long run the local welfare offices, DHS is contracting with local community action agencies (CAAs) for the administration of JOBS. These changes in administration and the state's budget crisis delayed JOBS until October 1990, when it was implemented in 9 of Mississippi's 84 counties. Legislation was not required, except to approve the budget.

Under the contract between DHS and the community action agencies, the CAAs provide case management services. AFDC recipients are screened by the DHS eligibility worker in the local DHS office and those who are non-exempt or volunteer for JOBS are referred to the CAA case management unit. The CAA is responsible for orientation, assessment, development of the employability plan, and referral to education, employ-

ment, and training services. Child care is arranged by a third group of agencies, local Child Care Management Agencies, which are also under contract to DHS.

Despite these important changes in administrative and operational structure, it is not clear that the programmatic structure of JOBS will be different from WIN. JOBS in Mississippi is designed to be an assessment-based program. Clients who are job ready are placed in job search, work experience, or on-the-job training. Clients who are not job-ready are referred to education, skills training, or a job readiness program. Instead of CWEP, which limits the number of hours of work, an alternate work experience program requiring up to 20 hours of work per week has been selected as an optional JOBS component. Work supplementation is not offered.

Although a wide range of JOBS components can be offered, funds to purchase services are limited. A small number of GED teachers will be funded under a contract with the state Department of Education, which will also conduct all basic literacy testing. Most services are being obtained on a non-reimbursable basis through memoranda of understanding (MOUs) between DHS and other state and local organizations. MOUs have been negotiated with local JTPA Service Delivery Areas, the Department of Education, the state Employment Security Commission and the Bureau of Apprenticeship and Training. Because the MOUs do not commit the other agencies to serving a specific number of JOBS clients, the extent of forthcoming services is not yet clear. In the absence of funds to purchase most education and training services or firm commitments from other agencies to supply services without funding, some observers outside DHS believe that JOBS will be tilted toward low cost services.

With resources very limited, Mississippi is giving priority to volunteers. First priority is given to volunteers from the target groups and second priority to other volunteers. If an insufficient number of people volunteer, participation will become mandatory. Parents with children under age three are exempt, a decision prompted both by funding limitations and a concern with the mother-child relationship in early childhood. The decision to focus on volunteers was made in the expectation that it would assist the state in meeting the federal mandates for targeting and participation. Mississippi expects to meet these mandates, but information systems are not in place that yield reliable data about the number of recipients in the target groups or which participants meet the 20-hour rule for program participation.

NEW YORK: JOBS

Public assistance in New York is administered by the counties, which historically have exercised considerable discretion in the design and scope of their employment and training programs. During the 1980s, the state gave counties authority to offer all of the mandatory and elective program components now required by JOBS, and many counties introduced new, sometimes innovative, programs. When JOBS was enacted, the rate of participation in these programs was sufficiently high that a major state initiative was unnecessary. Before JOBS, however, the state had not mandated a specific sequence, range or content of services. To implement JOBS, the state needed to mandate a more specific program on the counties and to narrow their scope of discretion.

Unlike most states in the sample, New York required legislation to implement JOBS. The governor's bill was introduced in early 1989, aiming at a July 1989 implementation date. The bill sparked extensive debate in the legislature, caused by fundamental disagreement over the relative emphasis to be given to providing opportunities for clients versus imposing obligations on them. The debate delayed implementation until October 1990, when JOBS was implemented statewide. It also revealed a wide range of views about program design and the likelihood of continued variation around the state.

JOBS in New York has an assessment-based design, with the exception that counties have the option of assigning recipients to job search for up to three weeks before

completing an assessment. Each county is required to make available all of the mandatory and elective JOBS components, although post-secondary education is limited to two years. Counties must offer case management to parents under age 18 and to other priority groups as resources permit. Because few resources have been allocated for case management, it cannot now be expected to play a central role in the program.

In the debate over enabling state legislation, a major point of contention was whether participation in JOBS would be mandatory or voluntary. The legislative compromise gives each county the option of operating a voluntary program after it meets the federal mandates concerning participation rates and targeting of expenditures. However, state regulations currently require that all nonexempt recipients participate in JOBS. Parents with children under age three are exempt. The legislation also requires that a parent who requests help in finding child care be offered at least two choices of regulated providers. If regulated care is unavailable or inaccessible, the parent can be excused from participation.

Because JOBS is administered by the counties, the state Department of Social Services (DSS) does not take primary responsibility for purchasing services or obtaining services on a non-reimbursable basis. No formal agreement for service delivery has been reached between DSS and the state JTPA agency. Instead, the state mandates a local planning process that requires coordination among local service providers, including the JTPA. DSS and the State Education Department have negotiated several cooperative initiatives that link education and social services. The Department of Labor, which had received all federal WIN funds, continues to receive approximately the same amount of funds and will provide job search, job development, and job placement services.

The state is confident that it is meeting the federal mandates concerning participation and targeting. The statewide participation rate exceeded 7 percent prior to JOBS implementation and participation is being expanded. However, with few interagency agreements negotiated at the state level, counties will continue to have discretion in how they spend JOBS funds and obtain services on a non-reimbursable basis. While more emphasis is clearly being placed on education at the state level, the counties must take the initiative in designing programs and still have considerable discretion over program operations.

OKLAHOMA: EDUCATION, TRAINING AND EMPLOYMENT PROGRAM (ET&E)

Oklahoma has a long tradition of welfare employment programs, focusing its efforts on promoting employment. Under the WIN Demonstration program, the state had the authority to offer a wide range of services, including the types of education, employment and training services mandated or permitted under JOBS. However, the state placed heaviest emphasis on moving recipients directly into employment through job search, job placement, and work experience. An illustration of this emphasis on employment, and a unique feature of Oklahoma's WIN Demonstration, was the decision to require parents with children under age six to participate in WIN. Under a waiver from the exemptions specified in federal law, employment and participation in WIN components was authorized for parents with infants and pre-school children.

With this waiver in place, and a mature work experience and job placement program in operation, Oklahoma needed to make relatively few immediate extensions in eligibility or service components to implement JOBS. By administrative regulation, Oklahoma implemented JOBS statewide in July 1989. The name of the program, Education, Training and Employment (ET&E), was not changed. Responsibility for the program continues to rest with the State of Oklahoma Department of Human Services (DHS), which administers public assistance and ET&E through its county offices.

ET&E has an assessment-based design, with the exception that three weeks of self-directed job search may be required prior to eligibility determination. DHS staff perform most JOBS functions, including assessment, development of the employability plan, job readiness activities, group job search, job placement, and referral to education and training. DHS staff also provide information about child care and assist parents in locating child care providers. Formally, the state does not offer case management, but the assignment of responsibilities within the county offices permits staff to perform many case management functions.

All mandated and elective education, training, and employment components except CWEP are authorized under the state plan. Post-secondary education, including both two- and four-year college, is also permitted. As an alternative to CWEP, which limits the number of weekly hours of work, the state has opted for a state work experience program in which clients may be assigned for up to 40 hours a week of work experience.

Few education and training services have been obtained under contract, and only a small share of ET&E funds have been used to purchase these services. Most services have been obtained on a non-reimbursable basis through agreements reached between the DHS and other state agencies. Cooperative agreements between DHS and the 12 Service Delivery Areas of the JTPA, which were negotiated several years prior to JOBS, give the JTPA a role in providing services.

ET&E is a mandatory program and, while volunteers are given priority as specified in the federal legislation, no special procedure has been developed to recruit volunteers. Participation by parents with children under one year of age is not required, thereby relieving this group from the pressures placed upon them prior to JOBS.

At the time of JOBS implementation, Oklahoma was already serving enough clients so that the 7 percent participation rate did not necessitate a significant increase in overall program activity. The state achieved a 29 percent participation rate in federal fiscal year 1990 and has set the same goal for 1991. Because of the extent of participation prior to JOBS, this high level of participation does not represent a dramatic increase in the availability of education, employment, and training for AFDC recipients. However, a large proportion of ET&E clients participate in educational activities, and state administrators believe that JOBS implementation has meant a greater emphasis on educational services.

OREGON: JOBS

Two distinctly different WIN Demonstration programs were developed in Oregon, one beginning in 1982 and the other in 1988. The first emphasized job search, with the objective of encouraging employment, limiting the growth of the AFDC caseload, and reducing welfare costs. It succeeded in meeting these goals, as indicated by a sharp decline in the percent of the poor receiving public assistance, but earned a reputation for excessive sanctioning and punitiveness. Welfare advocates and others concerned with these results pressed for a new program that would encourage employment, but do so through an array of human capital investment services. In February 1988, a new program offering all the mandatory and elective JOBS components, and emphasizing enhanced opportunities for participants, was introduced in seven pilot areas around the state. With this program in place, JOBS was implemented through administrative regulations in October 1990.

At the time of implementation, JOBS did not operate statewide in Oregon. The state is divided into 15 service districts, and only the seven districts that were pilot areas for the WIN Demonstration offered full-service programs. According to Oregon's State Plan for JOBS, the remaining districts generally lack job skills training programs, which are required under the Family Support Act, and offer only job search as an elective

component. Oregon is relying on the seven districts with full-service programs to meet the federally mandated participation rate in 1991.

Unlike other states in the sample, JOBS in Oregon does not have a purely assessment-based design for all participants. The seven full-service JOBS districts offer a program of specific services. Participants are given an initial assessment and the great majority are then referred to the "Enhanced Employment and Training Track." This track begins with the "Workplace Basics Component," which is composed of specific services: an extensive set of job readiness activities, followed if needed by basic educational services such as high school education and GED. A large fraction of JOBS funds are spent on these job readiness activities, and a large fraction of JOBS clients participate in them. After completing the Workplace Basics Component, participants are referred to the remaining JOBS services based on their assessed needs. A smaller number of recipients, perhaps as few as 5 percent of participants, are referred to the "Placement Track" and moved directly into job search skills training.

In the eight other districts, participants are given an initial assessment and are then referred to either the "Employment Track" or the "Education Track." The Education Track offers all the educational components required under JOBS, but the Employment Track offers only selected job readiness activities followed by job search and job placement. Case management is offered throughout the state, although the level of service is expected to be higher in the full-service districts. In these districts, the workers are called "case managers" and are given a smaller caseload than workers in the eight other districts, where they are called "case coordinators."

In all districts, a separate program has been established for young parents age 16-19. The Young Parents component is intended to provide the individualized attention and support services needed for teen parents to complete high school or the equivalent. Case managers monitor them closely and contract for the counseling and other intervention services needed to complete school and develop the attitudes, behaviors, and skills required to participate in the regular JOBS program.

Public assistance in Oregon is administered by the state welfare agency and its district offices, but efforts have been made to establish a "partnership" with other state agencies and to decentralize administration to the local level. A prime contractor is designated in each of the 15 JOBS districts—the JTPA is the prime contractor in nine districts and the community college in the remaining six districts—and about 75 percent of funds for JOBS services are contracted through them. Each district welfare office works with the prime contractor and other local providers to develop a local JOBS plan that meets the district's particular client and labor market needs. A new unit within the state Economic Development Department negotiates these contracts and monitors compliance, including meeting the federal mandates. So far, there have been no formal agreements among state agencies to provide services to JOBS participants on a nonreimbursable basis.

Participation in JOBS is mandatory, with exemptions given to parents with children under age three. First priority for service is given to people who are job-ready and to teen parents. In the belief that motivated recipients are more likely to achieve self-sufficiency, the state encourages both nonexempt and exempt AFDC recipients to volunteer. Compared to the program in place prior to 1988, which imposed sanctions frequently, JOBS is intended to be "uplifting and encouraging."

Expenditures for JOBS in Oregon are expected to be higher relative to the size of its caseload than in any other state in the sample. The state plans to draw down its full federal JOBS entitlement for 1991 and to spend additional state funds that will not be matched with federal funds. Prior to JOBS, Oregon served considerably more recipients than needed to meet the 7 percent participation requirement. Although it will continue

to exceed this minimum during the first nine months of JOBS implementation, it expects to serve fewer recipients than before JOBS.

PENNSYLVANIA: NEW DIRECTIONS FOR EMPLOYMENT

Until 1987, Pennsylvania's efforts to promote the employment of welfare recipients consisted primarily of a WIN Demonstration program emphasizing job search and CWEP. In that year, a new governor initiated the program that would become the model and primary vehicle for JOBS implementation, the Single Point of Contact (SPOC) program. SPOC is a joint effort of three state agencies—welfare, labor, and education—and operates through the JTPA Service Delivery Areas. It is similar to JOBS in that it uses intensive case management, offers a wide range of education, employment, and training services, and relies heavily on interagency coordination.

With passage of the Family Support Act, the obvious vehicle for implementing JOBS was SPOC rather than WIN. SPOC operated in 16 of the state's 28 Service Delivery Areas prior to JOBS and was extended statewide when JOBS was implemented in October 1989. The design of the SPOC program is generally consistent with the federal JOBS legislation and the relatively minor revisions that were necessary could be carried out administratively. But while Pennsylvania is relying on SPOC to meet the federal JOBS mandates, SPOC itself is not the state's JOBS program.

SPOC is the operating core of Pennsylvania's implementation effort, but it is formally only one track of the state's JOBS program, which is called New Directions for Employment. New Directions is administered by the state Department of Welfare, which operates public assistance through its county offices. The county offices give nonexempt AFDC recipients an initial assessment and place them in an "enrollment pool." Recipients can then participate in either the SPOC track or the New Directions track, depending on their preferences and the availability of services.

Although the tracks look similar on paper, JOBS resources are concentrated on the SPOC program. In addition, the other agencies operating SPOC contribute resources under formal agreements negotiated at the state level. In contrast, less than a third of JOBS resources are allocated to the New Directions track, and they are used only for assessment and case management activities and for administrative costs. No JOBS resources are available for education, training, or employment services for the New Directions track, and arrangements for obtaining services from other organizations on a non-reimbursable basis are negotiated at the local level and vary from county to county. It is unclear how many people will be served by this track or whether they will participate for sufficient hours to meet the 20-hour rule.

The difference between the two tracks of New Directions is in funding levels, not program design. The design of both tracks is assessment-based and both tracks nominally offer the same set of services, including all mandatory and elective services except work supplementation. Case management is offered under both tracks, but considerably more resources are devoted to case management in SPOC. Under SPOC, colocation of the representatives of the local SDA, the welfare agency, and the Job Service is strongly encouraged. Case management is provided by a team of representatives from these agencies, with formal procedures for communication among members of the team. Under New Directions, case management is handled by employment and training workers in the welfare agency with much less formal participation by workers from other state agencies. Moreover, New Directions case managers typically have much greater caseloads than their SPOC counterparts.

The SPOC program has always emphasized education and training, and the central role of SPOC in implementing JOBS means that most participants are in these types of activities. Few JOBS participants are engaged in on-the-job training or CWEP, and work supplementation is not offered. Because program resources are concentrated in provid-

ing relatively high-cost services that offer attractive opportunities to recipients, the demand for the limited number of slots is high.

Participation in New Directions is nominally mandatory for all non-exempt recipients. However, because the number of volunteers currently exceeds the availability of JOBS services, full participation in the majority of components is, in practice, voluntary. All nonexempt recipients must complete the orientation and initial assessment performed by the welfare agency and are then placed in an "enrollment pool." Exit from the hold status of the enrollment pool into either SPOC or the New Directions track is voluntary. To meet the targeting requirement, recipients in the target groups are given priority in the queue to leave the enrollment pool. Parents with children under age three are exempt from participation, largely because of the excess demand for services.

Pennsylvania's strategy for meeting the federal mandates concerning participation and targeting is to concentrate resources in the SPOC program. The state's intent is to give local providers the capacity to meet the federal mandates with an emphasis on relatively high cost education and training services. In 1990, this strategy appears successful when the participation rate is calculated based on scheduled hours. However, because of difficulties in monitoring participation, there is uncertainty regarding the proportion who meet the 75 percent attendance rate.

TENNESSEE: JOBS

Until 1988, Tennessee operated a modest WIN Demonstration program in one-third of its counties. In that year, partly in anticipation of the Family Support Act and the additional funds it would bring to the state for employment and training, the JTPA increased its focus on AFDC recipients. The Department of Labor (DOL), the agency administering the JTPA, entered into an agreement with the Department of Human Services (DHS) to earmark a specific amount of JTPA funds to provide employment and training services for AFDC recipients. This action, which more than tripled the resources available for AFDC recipients, positioned the JTPA to play a central role in JOBS.

An extremely tight state budget delayed JOBS implementation until October 1990 and resulted in a complete lack of new appropriations for education, training, and employment services. The only increased appropriations to implement JOBS were for child care. With no new funding for JOBS services, the state had to rely on the resources of the JTPA. The very limited JOBS funds are being used for assessment and employability plan development, supportive services, administrative costs, and a small amount for case management. All employment and training services are being obtained from the JTPA, which operates most aspects of the program.

Under a contract between the DHS and the DOL, the JTPA was given responsibility for delivering all JOBS and supportive services. Virtually all JOBS funds, as well as funds for child care, have been transferred to the DOL. The DOL, in turn, subcontracts with the JTPA Service Delivery Areas. The contract between DHS and DOL requires that at least 2,023 AFDC recipients be served, the number needed to meet the 7 percent participation requirement.

The DHS is responsible for the JOBS orientation and for screening individuals to identify those who wish to participate in the program. Volunteers are then referred to the local JTPA office. The JTPA completes the assessment and employability plan, places an individual in a service component, and arranges supportive services. If compliance issues arise, clients are referred back to DHS for conciliation, determination of good cause, and sanctions.

JOBS has an assessment-based design, relying on the assessment and employability plan processes of the SDAs. Of the elective JOBS components, Tennessee offers job search and on-the-job training, as well as post-secondary education for up to four years. Because the SDAs operate the program, they control the mix of services offered to

participants. It is not yet clear how JOBS implementation has altered this mix, although there appears to be more emphasis on remedial education and self-initiated post-secondary education.

Initial enrollment in JOBS is voluntary. Because funds for JOBS are so limited, the state's strategy for meeting the 7 percent participation rate is to concentrate resources on people who are most motivated. When AFDC recipients are in the DHS for orientation and screening, they are informed about the option to volunteer for JOBS. Only those wishing to participate are referred to the JTPA. Once they have enrolled in JOBS, however, sanctions can be applied if they fail to continue to participate. The threat of sanctions is designed to help ensure their ongoing participation. To limit the number of people that must be served, the state exempts parents with children under age three.

Tennessee appears able to meet the 7 percent participation requirement. The JTPA, in its contract with DHS, made a firm commitment to achieve this standard. This level of services for AFDC recipients is clearly higher than before the JTPA moved aggressively to serve them in 1988. But it is less certain that JOBS implementation has so far meant a significant expansion of services. In the opinion of some observers, this will require state appropriations for JOBS services rather than almost total reliance on the resources of the JTPA.

TEXAS: WINNING INDEPENDENCE GAINING SUCCESS (WINGS)

Until recently, Texas placed little emphasis on welfare employment programs, relying on low welfare benefits and restrictive eligibility rules to limit welfare expenditures. WIN and the WIN Demonstration were modest programs, generally not operated statewide, that aimed primarily at immediate employment. Because the Department of Human Services (DHS) devoted few resources to job training or remediation, the JTPA became the primary source of education and training services for welfare recipients.

In 1988, just prior to passage of the Family Support Act, the DHS leadership embarked on a welfare employment initiative with more of a human capital emphasis. Because resources for this initiative were very limited, it used a triage approach to allocate services to clients. The passage of JOBS overtook the full implementation of this program, but its triage approach has been incorporated into the design of JOBS. JOBS was implemented in October 1990 in 82 of the state's 254 counties, containing approximately 90 percent of the state's AFDC caretakers.

The design of JOBS specifies that DHS outreach all members of the target groups, regardless of their exemption status, and administer an initial screening. Based on this screening, clients are sorted into one of three Service Levels. Service Level I clients, defined as those without significant barriers to employment and with either a high school education or recent work experience, are referred for job search and placement services. Service Level II clients, those with no significant barriers to employment and with nine to eleven years of education, are to be provided with case management and referral to education, training, and job placement assistance. Service Level III clients, those with less than a ninth-grade education or significant barriers to employment, are to be provided with only a referral packet containing information about other services available in the community.

The Texas DHS has historically contracted with other organizations for substantial portions of its limited welfare employment services. Under JOBS, services for Service Level I clients are being purchased through competitive contracts with various public and private organizations. Contracts for nine counties, including the state's three largest counties, were won by Maximus, a private, for-profit company. Funds appropriated for adult education are being used to purchase services under contract, and various child care services will be contracted out as well.

Few additional funds have been appropriated for education, employment, and training activities. The state legislature limited appropriations for the Family Support Act to programs and services that are mandated by the federal legislation. As a result, significant amounts of funds were appropriated for child care, transitional benefits, and AFDC-UP (for six months of the year). However, the Act was not interpreted as mandating expenditures on education, training, and employment services and the state is relying on obtaining most services without payment. Of the elective JOBS components, the Texas state plan authorizes job search and on-the-job training, and permits post-secondary education for two years. State funds are being spent for case management, job search, education, transportation, and other supportive services, but the amounts are extremely limited relative to the size of the caseload. In many respects, the JTPA is the primary component of the state's strategy for implementing JOBS.

The Texas JOBS program is viewed in the state as a mandatory program for nonexempt recipients. However, the limited funding has forced the state to set priorities among recipient groups. Outreach efforts are concentrated on members of the target groups, and additional priorities have been set for calling recipients in to be screened for JOBS services. Clients screened into the Service Level III category are in effect excused from participation. The state's prioritizing means that, in practice, JOBS is more mandatory for some nonexempt clients than for others.

It is premature to assess whether and how JOBS has increased the availability of services for AFDC recipients. The only new state appropriation for education, employment and training services was $1 million for adult education, which was matched by $1.7 million in federal funds. Without other spending, it currently appears that adult education may be the only service that is in greater supply as a result of JOBS. The JTPA served significant numbers of AFDC recipients prior to JOBS and will continue to do so. However, the DHS has not negotiated a formal agreement with the JTPA at the state level and must persuade the individual SDAs to adjust their activities to meet the requirements of JOBS. It is also premature to assess whether Texas is meeting the 7 percent participation requirement. A raw count of participants places the participation rate at just under 8 percent, but the rate may be quite different using the methodology prescribed by the federal regulations.